

Annual Administrative Code Supplement
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STATE HOUSING DEVELOPMENT AUTHORITY
GENERAL RULES

PART 1. GENERAL PROVISIONS

R 125.101

Source: 1991 AACs.

R 125.102 Definitions; D to G.

Rule 102. As used in these rules:

- (a) "Development fund grant" means a grant which is authorized by the authority and which is to be made to an applicant authorized by the act to receive a grant from the housing development fund created by the act.
- (b) "Development fund loan" means a loan which is authorized by the authority, and which is to be made from the housing development fund created by the act.
- (c) "Dwelling unit" means living accommodations within a housing project which are intended for occupancy by a single household.
- (d) "Eligible deferred payment loan administering agency" means either a governing body or a subdivision, agency, or instrumentality of a governing body which shall, as of December 31, 1978, have applied for participation in the authority's neighborhood improvement loan program or the Michigan commission on Indian affairs.
- (e) "Executive director" means the executive director employed by the authority who is the chief administrative officer of the authority.
- (f) "Existing housing unit" means a housing unit that has been occupied before the issuance of a commitment by the authority.
- (g) "Family" means 2 or more persons living together not contrary to law.
- (h) "Feasible housing project" means a proposed housing project as to which the authority has made a determination that such project can reasonably be expected to be successfully constructed on the proposed site within cost limitations acceptable to the authority and can reasonably be expected to be operated in a fiscally sound manner.
- (i) "Gross income," for determining eligibility, means all income derived from whatever source, as follows:
 - (i) In computing gross income, all the income of the members of the household, other than minors, living in the same dwelling unit and contributing to the expenses of the household is to be considered. Gross income shall be computed without deduction for the following:
 - (A) Funds paid into a tax shelter retirement account.
 - (B) Losses attributable to a farming syndicate as described in section 464 of the internal revenue code, 26 U.S.C. §464.
 - (C) Losses attributable to any type of corporation or partnership engaged in exploring for or exploiting oil and gas resources.
 - (D) Losses attributable to any type of corporation or partnership engaged in equipment leasing.
 - (E) Losses attributable to any type of corporation or partnership engaged in holding, producing, or distributing motion picture films or video tapes.
 - (F) Child support payments made by an applicant for the benefit of the applicant's child or children.
 - (G) Alimony, separate maintenance, or similar periodic payments that an applicant is required to make to a spouse or former spouse.
 - (ii) Gross income shall include all of the following:
 - (A) The gross amount, before any payroll deductions, of wages; salaries; all overtime earnings in excess of \$4,000.00 per annum; commissions; fees; tips; bonuses; gambling winnings; and prizes won, except for Michigan lottery winnings and prizes.
 - (B) The net income from the operation of a business or profession or from the rental of real or personal property. For this purpose, if the operation results in a loss, the loss may not be used to offset income generated from other sources. For this purpose, any shareholder that owns 10% or more of any outstanding class of stock in a corporation shall also be deemed to have received income in its proportionate share of net earnings not otherwise distributed in salaries or dividends.

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- (C) All dividends and interest, including otherwise tax-exempt interest.
 - (D) The full amount of periodic payments received from social security, housing assistance payments, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.
 - (E) Payments in place of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay.
 - (F) The full amount of public assistance payments.
 - (G) Periodic and determinable allowances, such as alimony and separate maintenance payments received, housing allowances received, and regular contributions or gifts received from persons who do not reside in the dwelling, if such sums are received on a recurrent basis and if such sums may be reasonably expected to continue.
 - (H) The distributive share of partnership income.
 - (I) All capital gains.
 - (J) Child support payments received by an applicant for the benefit of the applicant's child or children.
 - (iii) Gross income does not include any of the following:
 - (A) Casual, sporadic, or irregular gifts.
 - (B) Amounts that are specifically for, or in reimbursement of, the cost of medical expenses.
 - (C) Lump sum additions to household assets, such as inheritances; insurance payments, including payments under health and accident insurance; worker's compensation; and settlements for personal or property losses.
 - (D) Amounts of educational scholarships paid directly to the student or to the educational institution, and veterans administration schooling benefits.
 - (E) Foster child care payments.
 - (F) The value of coupon allotments for the purchase of food pursuant to the food stamp act of 1977, 7 U.S.C. §§2011 to 2027, which is in excess of the amount actually charged the eligible household.
 - (G) Overtime earnings of \$4,000.00 or less per annum.
- History: 1954 ACS 69, Eff. Nov. 5, 1971; 1954 ACS 82, Eff. Feb. 8, 1975; 1954 ACS 94, Eff. Dec. 17, 1977; 1954 ACS 98, Eff. Dec. 27, 1978; 1979 AC; 1979 ACS 12, Eff. Dec. 16, 1982; 1985 MR 4, Eff. Apr. 24, 1985; 1986 MR 5, Eff. June 17, 1986; 1991 MR 9, Eff. Sept. 26, 1991.

R 125.103 Definitions; H to S.

Rule 103. As used in these rules:

- (a) "Household" means a person or family residing or intending to reside in a single-dwelling unit.
- (b) "Housing unit" means living accommodations that are intended for occupancy by a single family and with respect to which either of the following applies:
 - (i) An occupant owns the housing unit.
 - (ii) An occupant is a cooperative shareholder or member who has a proprietary lease of the housing unit. A housing unit may be site-constructed or may be a mobile home or other form of manufactured housing. Unless otherwise specified, housing units include new housing units, existing housing units, and substantially rehabilitated housing units.
- (c) "Local community" means any of the following entities which presents evidence that it is acting in a manner consistent with the objectives of the act with respect to the provision of housing or community development:
 - (i) A public body or agency.
 - (ii) A quasi-governmental body approved by the authority and established by state or federal law, the governing board of which is elected by the residents of a definite geographical area.
 - (iii) A park or playground association established pursuant to the provisions of Act No. 161 of the Public Acts of 1911, as amended, being §455.301 et seq. of the Michigan Compiled Laws.
 - (iv) A nonprofit corporation, limited dividend housing corporation, or limited dividend housing association.
- (d) "Minor" means a member of a household, other than the household head or spouse, who is under 18 years of age or who is a full-time student.
- (e) "Mortgage loan" means a loan which is authorized by resolution of the authority or by a mortgage loan commitment issued on behalf of the authority and which is made to an applicant for a housing project or a

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housing unit from the proceeds of sale of the authority's bonds or notes and any other available funds for the purpose of providing construction financing or long-term financing, or both, the repayment of which is secured, or is to be secured, as provided in the act.

(f) "Neighborhood improvement program" means that portion of the home improvement loan program that involves a specific agreement between the authority and a local governing body to provide a concentration of home improvement loans in a specific geographical area within the jurisdiction of the government body.

(g) "Person" means any 1 of the following:

(i) A person who is physically or mentally handicapped.

(ii) A person who is 62 or more years of age.

(iii) A single person who is neither handicapped nor 62 or more years of age. However, the authority may limit, by resolution, the percentage of dwelling units within a housing project financed with a mortgage loan that may be made available for occupancy by such single persons.

(h) "Permanent general improvements" means alterations, repairs, and improvements on or in connection with an existing residential structure which substantially protect or improve the basic livability or energy efficiency of the residential structure to be improved. Permanent general improvements do not include materials, fixtures, or landscaping of a type or quality exceeding that customarily used in the locality for residential structures of the same general type as the structure to be improved.

(i) "Qualified sponsor" means a local community or an eligible applicant pursuant to the provisions of R 125.122.

(j) "Residential structure" means real property that is improved by a structure, which structure is used primarily for residential purposes on a year-round basis. This term does not include a mobile home or a trailer.

(k) "Sponsor" means an individual, group, or organization which stimulates or promotes an applicant and which continues to be interested in the activities of such applicant with respect to a housing project.

History: 1954 ACS 69, Eff. Nov. 5, 1971; 1954 ACS 98, Eff. Dec. 27, 1978; 1979 AC; 1979 ACS 1, Eff. Mar. 12, 1980; 1979 ACS 6, Eff. Apr. 4, 1981; 1979 ACS 12, Eff. Dec. 16, 1982; 1979 ACS 15, Eff. July 6, 1983; 1991 MR 9, Eff. Sept. 26, 1991; 2000 MR 11, Eff. Jul. 31, 2000.

R 125.103

Source: 1991 AACS.

R 125.105 Income limitations.

Rule 105. (1) For a household to be considered eligible for initial occupancy in a housing project or housing unit financed by the authority, that household's income shall not exceed the following household income limitations:

(a) Unless otherwise permitted by the act, for housing, other than single family housing units, that has been financed by the proceeds of authority bonds which have been delivered before June 9, 1977, the effective date of certain emergency rules that temporarily effectuated the provisions of subdivisions (b) and (c) of this subrule, a household shall not have an adjusted household income of more than \$12,000.00 plus \$500.00 for each member of the household in addition to the head of the household and his or her spouse; provided, however, that the authority, by resolution, may determine, with respect to a particular housing project, that 20% of the dwelling units in that project shall be available for occupancy by households having adjusted household incomes of not more than 125% of that established in this subdivision. Such resolution shall include determinations by the authority that the project could not be marketed successfully without the higher income limit and that the project is in compliance with either of the following:

(i) It is located in a city, other than a central city, with a per capita personal income less than the per capita personal income for the state.

(ii) It is located elsewhere and the number of units for households with incomes eligible for public housing or a program equivalent is at least equal to the number of units for households with incomes between the 100% and 125% limits. The \$12,000.00 amount established in this subdivision shall be automatically increased in accordance with the following formula: $(\$12,000.00) + (\$12,000.00 \times .07 \times n)$ where n is the number of complete years elapsed since January 1, 1973.

(b) Unless otherwise permitted by the act, for housing, other than single-family housing units, that has been

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financed before May 1, 1984, and that has not been financed by proceeds of authority bonds which have been delivered before June 9, 1977, a household shall not have a gross income of more than \$28,000.00, which is the estimated median family income in Michigan. provided, however, in the case of shared housing, a gross income limit of \$15,000.00 shall be applied separately to each household assigned separate sleeping and bathroom facilities, notwithstanding the sharing of other living space.

(c) For all single-family housing units, a household shall not have a gross income in excess of that permitted in the act.

(d) Notwithstanding the provisions of subdivisions (a), (b), and (c) of this subrule, but subject to the act, a household may have a gross income up to that established pursuant to the following formula: $1.5 \times a \times 1.07^n$, where a is the median family income for the county in which the proposed housing is to be located, as identified in the publication entitled "1969 and Estimated 1977 Decile Distributions of Family Income by SMSA's and Non-Metropolitan Counties," prepared by the United States department of housing and urban development, office of economic affairs, economic and market analysis division, June 1, 1977, and where n is the number of complete years elapsed since June 1, 1977, if the authority, by resolution, makes all of the following determinations:

(i) The economic integration encouraged by the higher income limits shall promote the financial and social stability of housing financed or to be financed by the authority.

(ii) Private enterprise has failed to provide a substantial supply of adequate, safe, and sanitary dwellings in the area of the housing proposed for occupancy by households which qualify for assistance pursuant to this subdivision within the financial means of, and suitable for, such households.

(iii) The housing shall be located in an area in a central city which meets the criterion set forth in paragraph (ii) of this subdivision. The publication entitled "1969 and Estimated 1977 Decile Distributions of Family Income by SMSA's and Non-Metropolitan Counties" is herein adopted by reference. Copies are available from the United States Department of Housing and Urban Development, Market Analysis Division, 477 Michigan Avenue, Detroit, Michigan 48226 at a cost of 35 cents and from the Michigan State Housing Development Authority, 401 South Washington Square, Lansing, Michigan 48909, at no cost.

(e) Notwithstanding the provisions of subdivisions (a), (b), and (d) of this subrule, a household may have a gross income up to the income limits set forth in sections 44(1)(a)(iv), 44(1)(a)(v), and 44(1)(b) of the act, if the authority, by resolution, determines that the higher income limits shall promote the authority's ability to preserve the low income occupancy of the housing project.

(f) For housing, other than single-family housing units, that has been financed on or after May 1, 1984, a household shall not have a gross income in excess of that permitted in the act.

(2) If a household income limitation is a requirement for an assumption of a mortgage on a single family housing unit, then the household income limitation for a household to be considered eligible to assume a mortgage on a single family housing unit shall be the highest household income limitation ever established in subdivision (c) of subrule (1) of this rule.

(3) If federal subsidy payments are made on behalf of occupants of authority-financed dwelling units or housing units, then the income limitations established in this rule shall be superseded by federal laws and regulations applicable with respect to those applicants.

(4) If the program providing the funds for a loan or grant is subject to laws, regulations, rules, or other requirements which have particular income or other programmatic restrictions, or if the entity providing the funds for a loan or grant has particular income or other programmatic restrictions, then the authority may elect to apply some or all of these restrictions, instead of those which would otherwise be applicable pursuant to this rule.

(5) Subrule (1) of this rule does not apply to households applying for a home improvement loan pursuant to part 8 of these rules.

(6) The income limitation contained in subrules (1) and (2) of this rule is subject to state and federal laws which may establish income limitations as a prerequisite to obtaining tax-exempt status of authority notes and bonds.

History: 1954 ACS 69, Eff. Nov. 5, 1971; 1954 ACS 82, Eff. Feb. 8, 1975; 1954 ACS 88, Eff. June 18, 1976; 1954 ACS 94, Eff. Dec. 17, 1977; 1954 AC 98, Eff. Dec. 27, 1978; 1979 AC; 1979 ACS 1, Eff. Mar. 12, 1980; 1979 ACS 6, Eff. Apr. 4, 1981; 1979 ACS 12, Eff. Dec. 16, 1982; 1979 ACS 15, Eff. July 6, 1983; 1985 MR 4, Eff. Apr. 24, 1985; 1986 MR 5, Eff. June 17, 1986; 2000 MR 11, Eff. Jul. 31, 2000.

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R 125.113

Source: 1985 AACS.

PART 2. APPLICATIONS AND APPLICANT ELIGIBILITY

R 125.122 Eligible applicants.

Rule 122. (1) A development fund loan, mortgage loan or part of a development fund loan or mortgage loan, shall not be made or disbursed to an applicant until such time as the applicant is an eligible applicant. (2) An eligible applicant is an applicant authorized by the act to receive a development fund loan or a mortgage loan. To become an eligible applicant, an applicant shall obtain the authority's approval of its organizational documents, where applicable, as provided in the act.

History: 1954 ACS 69, Eff. Nov. 5, 1971; 1979 AC; 2000 MR 11, Eff. Jul. 31, 2000.

PART 3. DEVELOPMENT FUND LOANS AND FEASIBLE PROJECTS

R 125.131 Applications.

Rule 131. (1) An application for a determination that a proposed housing project is a feasible housing project shall include information, and where required by the authority staff, supporting materials and evidence with respect to all of the following:

- (a) The status of the applicant as an eligible applicant, or that reasonable steps have been taken to become an eligible applicant.
- (b) The site of the proposed housing project, including location, dimensions, ownership, present zoning, present use and occupancy and relocation requirements as to present occupants, present on-site improvements such as streets, utilities, and structures, status of off-site utilities and streets, present property taxes and assessments, utility charges, and liens or other charges on the land, and all physical characteristics of the site that may affect construction.
- (c) The status and characteristics of the proposed housing project, including number and size of dwelling units, type of occupancy (ownership, rental, or cooperative), rehabilitation or new construction, range of proposed rents, occupancy charges or sale prices, building type, federally-aided mortgage or otherwise, and social, recreational, commercial, and communal facilities proposed to serve and improve the residential area in which the proposed housing is located or to be located.
- (d) A schedule of the proposed uses of any requested development fund loan and the amounts proposed to be allocated to each such use.
- (e) Other matters as to the proposed housing project, the applicant, and other parties involved in the housing project as the authority staff and the executive director may require.

(2) An application for a development fund loan shall include information, and where required by the authority staff, supporting materials and evidence with respect to all of the following:

- (A) The status of the applicant as an eligible applicant, or that reasonable steps have been taken to become an eligible applicant.
- (B) The site of the proposed housing project.
- (C) The status and characteristics of the proposed housing project and social, recreational, commercial, and communal facilities proposed to serve and improve the residential area in which the proposed housing is located or to be located.
- (D) A schedule of the proposed uses of the requested development fund loan and the amounts proposed to be allocated to each such use.
- (E) Other matters as to the proposed housing project, the applicant, and other parties involved in the housing project as the authority staff and the executive director may require.

History: 1954 ACS 69, Eff. Nov. 5, 1971; 1954 ACS 94, Eff. Dec. 17, 1977; 1979 AC; 2000 MR 11, Eff. Jul. 31, 2000.

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125.132. Processing and evaluation of applications.

Rule 132. (1) An application for a development fund loan or a determination that a proposed housing project is a feasible housing project, or both, shall be processed by the authority staff on the basis of processing and underwriting procedures and guidelines developed by the authority staff under direction of the executive director on behalf of the authority.

(2) An applicant may be required to furnish to the authority staff supplementary information and to amend the application to cause the proposed housing project to be consistent with the authority's processing and underwriting procedures and guidelines.

(3) Upon completion of the processing, all applications for a determination that a proposed housing project is feasible and all applications for development fund loans in the principal amount of \$250,000 or more shall be presented to the authority for approval, along with the authority staff analysis of the application and the executive director's recommendation with respect to the application.

(4) If the principal amount of the development fund loan is less than \$250,000.00, the executive director shall review the authority staff analysis and, if the executive director determines that all of the following requirements are met:

(a) The applicant is an applicant authorized by the act to receive a development fund loan.

(b) The applicant shall use the loan funds in planning for or implementing any activities permitted in the act.

(c) The applicant is reasonably expected to be able to successfully implement the proposal.

(d) The authority reasonably anticipates that the applicant will receive an authority-aided or a federally-aided mortgage loan, to be obtained to provide financing for the proposed housing project.

(e) The development fund loan can reasonably be anticipated to be repaid from the proceeds of the authority-aided or a federally-aided mortgage loan.

Then the executive director may issue, on behalf of the authority, a commitment for a development fund loan to the applicant. The development fund loan commitment shall contain terms, conditions, and requirements as deemed necessary by the executive director.

History: 1954 ACS 69, Eff. Nov. 5, 1971; 1954 ACS 94, Eff. Dec. 17, 1977; 1979 AC; 2000 MR 11, Eff. Jul. 31, 2000.

R 125.133 Determinations of feasibility and authorization of loans.

Rule 133. (1) The authority shall review the analysis and recommendation for applications for a determination that a proposed housing project is feasible and applications for development fund loans in the principal amount of \$250,000 or more, and, if it determines that the application meets the requirements of the act and these rules and is consistent with the authority's processing and underwriting procedures and guidelines, by resolution, the authority may determine that the proposed housing project is a feasible housing project or authorize a development fund loan to the applicant, or both.

(2) For applications for a determination that a proposed housing project is feasible, the resolution shall include all of the following determinations by the authority :

(a) The proposed housing project will provide housing for persons of low and moderate income or will serve and improve the residential area in which authority financed housing is located or is planned to be located thereby enhancing the viability of such housing.

(b) The applicant is reasonably expected to be able to achieve successful completion of the proposed housing project.

(c) The proposed housing project will meet a social need in the area in which it is to be located.

(d) A mortgage loan, or a mortgage loan not made by the authority that is a federally-aided mortgage, can reasonably be anticipated to be obtained to provide financing for the proposed housing project.

(e) The proposed housing project is a feasible housing project.

(3) For applications for development fund loans in the principal amount of \$250,000 or more, the resolution shall include the following determinations by the authority:

(a) The applicant is an applicant authorized by the act to receive a development fund loan.

(b) The applicant shall use the loan funds in planning for or implementing any activities permitted in the act.

(c) The applicant is reasonably expected to be able to successfully implement the proposal.

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(d) The authority reasonably anticipates that the applicant will receive an authority-aided or a federally-aided mortgage loan, to be obtained to provide financing for the proposed housing project.

(e) The development fund loan can reasonably be anticipated to be repaid from the proceeds of the authority-aided or a federally-aided mortgage loan.

(4) The resolution may include such conditions as the authority considers appropriate with respect to an application for a mortgage loan as to such feasible housing project or the use, disbursement, and repayment of the development fund loan.

History: 1954 ACS 69, Eff. Nov. 5, 1971; 1954 ACS 94, Eff. Dec. 17, 1977; 1979 AC; 2000 MR 11, Eff. Jul. 31, 2000.

PART 4. MORTGAGE LOANS

R 125.142

Source: 1981 AACS.

R 125.143

Source: 1983 AACS.

R 125.146 Mortgage loans to individuals.

Rule 146. (1) An application by an individual for a mortgage loan for long-term financing of a housing unit to be purchased by the individual shall include information, and where required by the authority staff, supporting materials and evidence with respect to all of the following:

(a) The eligibility of the applicant.

(b) The eligibility of the housing unit proposed to be purchased.

(2) An application for a mortgage loan, submitted pursuant to subrule (1) of this rule, shall be processed by the authority staff, and the authority staff's analysis of such application shall be presented to the executive director.

(3) The executive director shall review each analysis and, if he or she determines that the applicant is an eligible applicant, that the application meets the requirements of the act and these rules, and that the application is consistent with the authority's processing and underwriting procedures and guidelines as to the housing unit to be purchased, then the executive director may issue, on behalf of the authority and pursuant to resolution of the authority, the authority's mortgage loan commitment to the applicant with respect to the housing unit proposed to be purchased. The mortgage loan commitment shall contain terms, conditions, and requirements as deemed necessary by the executive director, including, without limitation, conditions establishing that the purchase price of the subject housing unit, the method of making payments after the purchase of the housing unit, the security afforded, the interest rate, and fees and charges, if any, to be paid by the eligible applicant shall at all times be sufficient to permit the authority to make the payments on its bonds and notes plus any administrative or other costs to the authority in connection with the transaction.

(4) The authority, by resolution, may authorize the execution, on behalf of the authority, of agreements with corporations, partnerships, individuals, financial institutions, or other entities qualified to do business within this state. The agreements may provide that the authority shall make mortgage loans to individual eligible applicants for the long-term financing of housing units to be purchased by such applicants, and that the housing units shall be constructed by or with the assistance of an entity that shall be a party to such an agreement.

(5) An individual shall not receive a mortgage loan for long-term financing a housing unit to be purchased that is not intended for owner occupancy.

(6) An individual shall not receive a mortgage loan for the long-term financing of a housing unit to be purchased unless the husband, wife, and all other adult individuals whose income is required to be computed in determining the household gross income agree to sign a mortgage, mortgage note, and such other loan documents determined by the executive director to be necessary, provided however, that children of the applicant who are claimed as dependants on the applicant's federal income tax return and who are full-time students need not sign the loan documents.

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(7) An individual shall not receive a mortgage loan for the long-term financing of a housing unit unless the individual meets credit requirements as established by the authority.

History: 1954 ACS 69, Eff. Nov. 5, 1971; 1954 ACS 94, Eff. Dec. 17, 1977; 1979 AC; 1979 ACS 1, Eff. Mar. 12, 1980; 1979 ACS 12, Eff. Dec. 16, 1982; 1979 ACS 15, Eff. July 6, 1983; 1986 MR 5, Eff. June 17, 1986; 2000 MR 11, Eff. Jul. 31, 2000.

PART 5. DEVELOPMENT FUND GRANTS

R 125.151 Applications.

Rule 151. An application for a development fund grant shall include information and, where required by the authority staff, supporting materials and evidence with respect to all of the following:

- (a) That the applicant is an applicant authorized by the act to receive a development fund grant.
- (b) The proposed housing or community development activities for which assistance in planning or implementation is being requested.
- (c) The total cost of the planned activities, the net costs to the applicant, and a schedule of the proposed uses of the requested development fund grant and the amounts proposed to be allocated to each use.
- (d) Other matters with respect to the proposal, the applicant, and other parties involves the authority staff and the executive director require.

History: 1954 ACS 69, Eff. Nov. 5, 1971; 1954 ACS 94, Eff. Dec. 17, 1977; 1979 AC; 1986 MR 5, Eff. June 17, 1986; 2000 MR 11, Eff. Jul. 31, 2000.

R 125.152 Processing and evaluation of applications.

Rule 152. (1) An application for a development fund grant shall be processed by the authority staff on the basis of the authority's evaluation factors.

- (2) An applicant may be required to furnish to the authority staff supplementary information and to amend the application to cause the planned activities to be fully consistent with the authority's evaluation factors.
- (3) Upon completion of the processing all applications for development fund grants in the amount of \$250,000 or more shall be presented to the authority for approval, along with the authority staff analysis of the application and the executive director's recommendation with respect to the application.
- (4) If the amount of the development fund grant is less than \$250,000.00, the executive director shall review the authority staff analysis and, if the executive director determines that all of the following requirements are met:

- (a) The applicant is an applicant authorized by the act to receive a development fund grant.
- (b) The applicant shall use the grant funds in planning for or implementing any activities permitted in the act.
- (c) The applicant is reasonably expected to be able to successfully implement the proposal.
- (d) The application satisfies the evaluation factors and criteria adopted by the authority.

Then the executive director may issue, on behalf of the authority, a commitment for a development fund grant to the applicant. The development fund grant commitment shall contain terms, conditions, and requirements as deemed necessary by the executive director. The authority may require repayment of these grants.

History: 1954 ACS 69, Eff. Nov. 5, 1971; 1954 ACS 94, Eff. Dec. 17, 1977; 1979 AC; 2000 MR 11, Eff. Jul. 31, 2000.

R 125.153 Authorization of development fund grants in the amount of \$250,000 or more.

Rule 153. (1) For applications for development fund grants in the amount of \$250,000 or more, the authority shall review each analysis and recommendation presented and, if it determines that the application meets the requirements of the act and these rules and is consistent with the authority's evaluation factors, by resolution, it may authorize a development fund grant to the applicant in an amount not to exceed the net costs to the applicant of the planned activities.

- (2) The resolution of the authority shall include all of the following determinations by the authority:

- (a) The applicant is an applicant authorized by the act to receive a development fund grant.
- (b) The applicant shall use grant funds in planning for or implementing any activities permitted in the act.
- (c) The applicant is reasonably expected to be able to successfully implement the proposal.

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(d) The application satisfies the evaluation factors and criteria adopted by the authority.

(3) The resolution may include conditions which the authority considers appropriate with respect to the use and disbursement of the development fund grant. The authority may require repayment of these grants.

History: 1954 ACS 69, Eff. Nov. 5, 1971; 1954 ACS 94, Eff. Dec. 17, 1977; 1979 AC; 1986 MR 5, Eff. June 17, 1986; 2000 MR 11, Eff. Jul. 31, 2000.

PART 8. HOME IMPROVEMENT LOANS

R 125.181 Eligible applicants.

Rule 181. An applicant for a home improvement loan shall satisfy all of the following requirements:

(a) An applicant shall be either an individual fee owner or purchaser under a land contract of the residential structure to be improved or an individual member-shareholder in a nonprofit cooperative housing corporation who has a proprietary interest in a residential structure. The residential structure may be subject to a mortgage or other lien securing a debt.

(b) An applicant shall meet credit requirements as established by the authority.

(c) The residential structure to be improved shall not be in violation of applicable zoning ordinances or other applicable land use guidelines.

(d) The residential structure shall not contain more than 11 dwelling units.

(e) The applicant shall use Home improvement loan proceeds to finance only new improvements upon, or in connection with, existing structures and shall not be used for the refinancing of an existing mortgage or debt or for the completion of an unfinished residential structure.

(f) All improvements shall be reasonably capable of being completed, except for causes beyond the applicant's reasonable control, within 6 months of the date of the first disbursement of funds pursuant to the home improvement loan. The authority may extend this period for good cause shown.

History: 1954 ACS 98, Eff. Dec. 27, 1978; 1979 AC; 1979 ACS 1, Eff. Mar. 12, 1980; 1979 ACS 12, Eff. Dec. 16, 1982; 1979 ACS 15, Eff. July 6, 1983; 1991 MR 9, Eff. Sept. 26, 1991; 2000 MR 11, Eff. Jul. 31, 2000.

R 125.183 RESCINDED

History: 1954 ACS 98, Eff. Dec. 27, 1978; 1979 AC; 1979 ACS 6, Eff. Apr. 4, 1981; 1979 ACS 12, Eff. Dec. 16, 1982; Rescinded 2000 MR 11, Eff. Jul. 31, 2000.

R 125.184 RESCINDED

History: 1954 ACS 98, Eff. Dec. 27, 1978; 1979 AC; Rescinded 2000 MR 11, Eff. Jul. 31, 2000.

PART 9. NEIGHBORHOOD IMPROVEMENT DEFERRED PAYMENT LOANS

R 125.191—R 125.195

Source: 1997 AACS.

**PART 10. IDENTITY OF INTEREST WITH VENDORS TO
AUTHORITY-FINANCED DEVELOPMENTS**

R 125.201

Source: 1991 AACS.

R 125.202

Source: 1991 AACS.

R 125.203

Source: 1991 AACS.

R 125.204

Source: 1991 AACS.

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**PART 11. DEBARMENT AND SUSPENSION FROM PARTICIPATION
IN AUTHORITY PROGRAMS AND TRANSACTIONS**

R 125.211

Source: 1991 AACS.

R 125.212

Source: 1991 AACS.

R 125.213

Source: 1991 AACS.

R 125.214

Source: 1991 AACS.

R 125.215

Source: 1991 AACS.

R 125.216

Source: 1991 AACS.

R 125.217

Source: 1991 AACS.

R 125.218

Source: 1991 AACS.

R 125.219

Source: 1991 AACS.

R 125.220

Source: 1991 AACS.

R 125.221

Source: 1991 AACS.

R 125.222

Source: 1991 AACS.

R 125.223

Source: 1991 AACS.

R 125.224

Source: 1991 AACS.

**MICHIGAN JOBS COMMISSION
STATE RESEARCH FUND**

R 125.301 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.302 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.303 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

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R 125.304 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.305 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.306 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.307 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.308 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.309 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.310 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.311 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.312 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.313 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.314 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.315 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.316 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.317 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.318 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.319 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.320 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

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R 125.321 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.322 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.323 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.324 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

R 125.325 Rescinded.

History: 1987 MR 11, Eff. Nov. 19, 1987; rescinded 1999 MR 2, Eff. Mar. 10, 1999.

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES
BUREAU OF COMMUNITY SERVICES
NEIGHBORHOOD ASSISTANCE AND PARTICIPATION PROGRAM

R 125.601

Source: 1981 AACS.

R 125.602

Source: 1981 AACS.

R 125.603

Source: 1981 AACS.

R 125.604

Source: 1981 AACS.

R 125.605

Source: 1981 AACS.

R 125.606

Source: 1981 AACS.

R 125.607

Source: 1981 AACS.

R 125.608

Source: 1981 AACS.

R 125.609

Source: 1981 AACS.

R 125.610

Source: 1981 AACS.

R 125.611

Source: 1981 AACS.

R 125.612

Source: 1981 AACS.

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R 125.613
Source: 1981 AACS.

R 125.614
Source: 1981 AACS.

R 125.615
Source: 1981 AACS.

MANUFACTURING SERVICES BUREAU
URBAN LAND ASSEMBLY FUND

R 125.651
Source: 1988 AACS.

R 125.652
Source: 1988 AACS.

R 125.653
Source: 1988 AACS.

R 125.654
Source: 1988 AACS.

R 125.655
Source: 1988 AACS.

BARRIER FREE DESIGN BOARD
GENERAL RULES

R 125.1001
Source: 1988 AACS.

R 125.1002
Source: 1988 AACS.

R 125.1003
Source: 1988 AACS.

R 125.1004
Source: 1988 AACS.

R 125.1005
Source: 1988 AACS.

R 125.1006
Source: 1988 AACS.

R 125.1007
Source: 1988 AACS.

R 125.1008
Source: 1988 AACS.

R 125.1009
Source: 1988 AACS.

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R 125.1010
Source: 1988 AACS.

R 125.1011
Source: 1988 AACS.

R 125.1012
Source: 1988 AACS.

R 125.1013
Source: 1988 AACS.

R 125.1014
Source: 1988 AACS.

R 125.1015
Source: 1988 AACS.

R 125.1016
Source: 1988 AACS.

R 125.1017
Source: 1988 AACS.

R 125.1018
Source: 1988 AACS.

R 125.1019
Source: 1988 AACS.

R 125.1020
Source: 1988 AACS.

R 125.1021
Source: 1988 AACS.

R 125.1022
Source: 1988 AACS.

R 125.1023
Source: 1988 AACS.

R 125.1024
Source: 1988 AACS.

R 125.1025
Source: 1988 AACS.

R 125.1026
Source: 1988 AACS.

MOBILE HOME COMMISSION
GENERAL RULES
PART 1. GENERAL PROVISIONS

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R 125.1101 Definitions.

Rule 101. (1) As used in these rules:

- (a) "Accessory" means anything which is joined to a home, which renders it more complete, which accompanies it, which is connected to it, or which performs a function incident to the safety or convenience, or both, of the occupant, such as an attached or detached carport or garage, steps, or decks. An accessory shall be constructed pursuant to the standards set forth in the provisions of R 408.30101 et seq. of the Michigan Administrative Code.
- (b) "Act" means Act No. 96 of the Public Acts of 1987, as amended, being §125.2301 et seq. of the Michigan Compiled Laws, and known as the mobile home commission act.
- (c) "Advertising" means the publication of, or causing to be published, by any means of communication, all material that is prepared for public distribution and consumption, including any sign used by a licensee. A licensee may use its true name or assumed name, or both names in its advertisements. The term does not include applications for licensing or stockholder communications, such as any of the following:
 - (i) Annual reports.
 - (ii) Interim financial reports.
 - (iii) Proxy materials.
 - (iv) Registration statements.
 - (v) Securities.
 - (vi) Business or financial prospectuses.
- (d) "Certificate of manufactured home ownership" means a document which is issued by the department or its authorized representative and which establishes lawful transfer and ownership of a home.
- (e) "Closing" means the procedure in which final documents are executed.
- (f) "Commission" means the manufactured housing commission. (g) "Common sidewalk" means a sidewalk in a community that is intended for the common use of all residents in the community.
- (h) "Community" means both a "mobile home park" as defined in section 2 (i) of the act and a "seasonal mobile home park" as defined in section 2 (m) of the act.
- (i) "Consumer" means a retail purchaser.
- (j) "Consumer deposit" means all payments of cash or by personal check, money order, certified or cashier's check or similar instrument, or other collateral or security paid to a retailer prior to closing by the consumer for the right to purchase a home subject to return upon cancellation of the purchase agreement. A consumer deposit includes a down payment as defined in subdivision (m) of this subrule. A consumer deposit shall be placed in an escrow account and remain there until the closing. After the closing, the deposit can be transferred to a general account.
- (k) "Department" means the department of consumer and industry services. (l) "Director" means the director of the Michigan department of consumer and industry services.
- (m) "Down payment" means all payments, whether made in cash or otherwise, received by or for the benefit of the seller.
- (n) "Home" has the same meaning as "manufactured home," which has the same meaning as "mobile home" as defined in section 2(g) of the act. A new home is a home for which a certificate of manufactured home ownership has not been issued.
- (o) "Homeowner" means the person or persons listed on the certificate of manufactured home ownership and on the security agreement, if one exists, for the home.
- (p) "Home site" means the entire area that is designated to be used for a specific home.
- (q) "Individual sidewalk" means a private sidewalk which extends from the common sidewalk or internal road to the home site and which is intended for the use of the home site resident.
- ® "Installer and servicer" has the same meaning as "installer and repairer" as defined in section 2(e) of the act.
- (s) "Internal road" means a road which is contained within the boundaries of a community and which is under the care, custody, and control of the community.
- (t) "Manufactured housing commission" has the same meaning as "commission" as defined in section 2(c) of the act.
- (u) "Operator" means an individual officer of a corporation, a general partner, or a sole proprietor who is directly responsible for the operation of a licensee and who is designated as such for licensure purposes.

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- (v) "Optional improvement" means an amenity in new community construction or existing licensed community expansion that is not required under the community construction rules contained in these rules.
 - (w) "Permanent foundation" means a base that is not subject to excessive movement caused by changes in weather or home weight distribution.
 - (x) "Purchase agreement," for the purpose of records maintained under these rules, means an express written agreement in which a person agrees to buy, and another person agrees to sell, a home and includes specific home identification information, which shall include all of the following information:
 - (i) Year of manufacture or year on previous certificate of manufactured home ownership.
 - (ii) Serial number if available.
 - (iii) Name of manufacturer.
 - (iv) Model name or number.
 - (v) The agreed to price of the home.
 - (vi) Each buyer-selected option and accessory not listed on the manufacturer's invoice.
 - (vii) Other costs to the buyer, such as taxes and certificate of manufactured home ownership fees.
 - (y) "Purchaser" means a retail purchaser.
 - (z) "Retailer" has the same meaning as "mobile home dealer" as defined in section 2(h) of the act. A community that rents or leases homes is not required to be licensed as a retailer, but shall comply with the retailer business practices rules. A lender that only sells homes it has repossessed is not required to be licensed as a retailer.
 - (aa) "Retail sale" means the sale, exchange, or offering of a home, accessory, or item of equipment for a home directly to a consumer. (bb) "Salesperson" means either of the following:
 - (i) An individual who, for direct or indirect compensation, negotiates the purchase, sale, or exchange of a home through a licensed retailer.
 - (ii) An individual who, for direct or indirect compensation, engages in the business of listing, offering, or attempting to list, selling or offering to sell, buying or offering to buy, appraising or offering to appraise, or leasing or offering to lease a home through a licensed retailer.
 - (cc) "Seasonal community" has the same meaning as "seasonal mobile home park" as defined in section 2(m) of the act.
 - (dd) "Successor" means a person who obtains all of the assets and liabilities of a former owner.
 - (ee) "Year of manufacture" means the calendar year in which a home is manufactured.
 - (2) Terms defined in the act have the same meanings when used in these rules.
- History: 1954 ACS 96, Eff. July 12, 1978; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1979 ACS 12, Eff. Oct. 21, 1982; 1984 MR 3, Eff. Apr. 17, 1984; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1103 Rescinded.

History: 1985 MR 6, Eff. July 17, 1985; rescinded 1998 MR 7, Eff. July 16, 1998.

Rule 125.1105 Commission: voting.

Rule 105. Each member of the commission shall have 1 vote.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1110 Commission; meeting; quorum; agenda.

- Rule 110.(1) A quorum shall be required to conduct commission business.
- (2) The chairperson and the executive director of the commission shall determine the meeting agenda. A member may place an item on the tentative agenda 14 days before the scheduled meeting date.
- (3) A meeting shall be called by the chairperson. Except in emergency circumstances, the call for a meeting, specifying the time and place of the meeting, shall be personally communicated or mailed to each member of the commission not less than 7 days before the date of the meeting.
- (4) The vice-chairperson shall fulfill the duties of the chairperson if the chairperson is absent.
- (5) The chairperson shall appoint committees of the commission, subject to commission approval.
- (6) A meeting of the commission or a committee shall be conducted under Robert's Rules of Order.

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History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1115 Commission; meeting; public participation.

Rule 115. Testimony or comments, or both, presented by a member of the public during a commission meeting shall be limited to 10 minutes for an individual representing an organization and limited to 6 minutes for an individual not representing an organization. The individual presiding over the meeting may grant 10 additional minutes to anyone. Additional comments may be submitted to the commission in writing.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1120 Proposed higher standard; filing; approval and disapproval; adoption by ordinance.

Rule 120. (1) Under section 7(1) of the act, local governments proposing a higher standard than specified in these rules shall, after public hearing, file the proposed standard with the department for the commission's review and approval.

(2) The filing shall be in letter form and shall contain, but not be limited to, all of the following information:

(a) The current specific standard for which a higher standard is being proposed.

(b) The proposed higher standard.

(c) A statement or statements setting forth the reasons for a standard that is higher than the existing standard.

(d) A statement or statements that the proposed higher standard is not designed to generally exclude homes or persons who engage in any aspect pertaining to the business of homes.

(e) A statement or statements comparing the proposed higher standard with the standard applicable to other types of housing. The standard applicable to other types of housing shall be submitted with the statement or statements.

(f) Any other information and data that provides justification for the proposed higher standard.

(3) The commission shall approve or disapprove the proposed higher standard within 60 days after the standard is filed with the commission and shall notify the local government, in writing, of its decision. If the commission denies the request, then the local government is entitled to a hearing before the commission or its designated representative under sections 71 to 87 of Act No. 306 of the Public Acts of 1969, as amended, being §§24.271 to 24.287 of the Michigan Compiled Laws, and known as the administrative procedures act.

(4) If the commission does not approve or disapprove the proposed higher standard within 60 days after the standard is filed with the department, then the standard shall be considered approved unless the local government has granted the commission additional time to consider the proposal.

(5) After receipt of approval, or if the 60 days or extended time limit has lapsed, the local government may adopt the standard by ordinance.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1998 MR 7, Eff. July 16, 1998.

R 125.1125 Proposed higher standard; intent to deny; order.

Rule 125. (1) The commission may deny a proposed higher standard by local government under the provisions of section 7(1) of the act. The department shall notify the local government by certified mail or personal delivery of the preliminary order of intent to deny. The preliminary order of intent to deny constitutes notification within the 60-day time limit, and extension if any, under the act.

(2) The preliminary order of intent to deny shall automatically be final 15 days after the date of receipt of the order by a local government, unless the local government requests, in writing, a hearing before the commission or its designated representative under the provisions of section 71 of Act No. 306 of the Public Acts of 1969, as amended, being §24.271 of the Michigan Compiled Laws, and known as the administrative procedures act.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

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R 125.1130 Aggrieved persons; hearing.

Rule 130. A person who is aggrieved by any local action that might violate sections 7 and 18 of the act shall be given an opportunity for a hearing by the commission or its designated representative, under section 4(c) and (d) of the act, to review the local decision.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1135 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1140 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1145 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1150 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; rescined 1998 MR 7, Eff. July 16, 1998.

R 125.1155 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1160 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1165 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1170 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1175 Declaratory rulings.

Rule 175. (1) The commission and the department, at the request of an interested person, may issue a declaratory ruling as to the applicability to an actual statement of facts of the act or a rule promulgated under the act upon submission of the following to either party:

(a) A clear and concise statement of the actual statement of facts.

(b) If the interested person desires, a brief or other reference to legal authorities relied upon for determination of the applicability of the act or a rule to the statement of facts.

(2) The commission and the department, if they determine they will issue a declaratory ruling, shall furnish the interested person with a statement that they will issue a ruling and establish the time in which they will issue the ruling.

(3) A ruling shall repeat the actual statement of facts, the legal authority on which the commission and the department rely for their ruling, if any, and the ruling they make.

(4) A ruling, once issued, is binding on the commission and the department and may not be retroactively changed, but this subrule does not prohibit the commission and the department from changing a ruling in the future.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1185 Home construction standards.

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Rule 185. (1) All homes manufactured to be sold in the United States or new homes sold within Michigan shall be in compliance with the construction standards promulgated by the United States department of housing and urban development, 24 C.F.R. part 1700 et seq. and parts 3280 and 3282, under the national manufactured housing construction and safety standards act of 1974, as amended, 42 U.S.C. §601 et seq. The standards are adopted by reference in these rules. Copies of the adopted standards may be obtained from the Superintendent of Documents, United States Government Printing Office, Washington, DC 20402, at no cost, or from the Department of Consumer and Industry Services, Corporation, Securities and Land Development Bureau, Manufactured Housing Division, P.O. Box 30222, Lansing, Michigan 48909, at no cost. (2) All new or pre-owned United States department of housing and urban development-approved homes brought into or sold within the state of Michigan shall be in compliance with the requirements for the appropriate roof load. All homes sited on the effective date of this subrule may be sold on the home site and are not subject to this subrule. (3) The dividing line between the south roof load zone (20 pounds per square foot) and the middle roof load zone (30 pounds per square foot) shall be the centerline of highway M-55 west from Tawas City to the intersection of highway M-115 and then northwest along the centerline of M-115 to Frankfort. The beginning and end of the dividing line shall be at waters' edge.

History: 1979 ACS 13, Eff. Dec. 18, 1982; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1190 Inspections.

Rule 190. (1) The department, or its authorized representative, shall not conduct an inspection under the act or these rules without upon arrival, identifying itself to the developer, owner, operator, or authorized representative of the home business to be inspected. An inspection which is an audit shall not be conducted without first mailing a written notice to the developer, owner, or operator of the home business at least 10 days before the audit, unless the developer, owner, or operator waives the notice requirement in writing. "Inspection," for the purpose of this rule, means, but is not limited to, drive-throughs, walk-throughs, compliance inspections, or any other means from which visual or oral information would be obtained pertaining to the management or operation, or both, or any other aspect of the home business in which the person being inspected is engaged.

(2) This rule does not apply to investigations conducted under section 36(1)(a) of the act.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1191 Rescinded.

History: 1979 ACS 2, Eff. May 2, 1980; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1192 Posting of complaint notice.

Rule 192. A licensee shall post, in a conspicuous place, the following statement for resolving complaints: "Under the Mobile Home Commission Act you have the right to file a valid complaint that pertains to violations of that act or rules published under the act. Before a complaint can be filed under this act or these rules, you must notify the community, retailer, or installer and servicer in writing that a problem exists. If it does not provide a reasonable response within 15 days of receipt of your complaint, you may file a complaint with the Michigan Department of Consumer and Industry Services, Corporation, Securities and Land Development Bureau, Manufactured Housing Division, P.O. Box 30222, Lansing, Michigan 48909. Please note that only violations pertaining to the mobile home commission act or these rules can be accepted by the Division. Complaints pertaining to community rent costs do not fall under the authority of the act."

History: 1979 ACS 2, Eff. May 2, 1980; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1193 Rescinded.

History: 1979 ACS 2, Eff. May 2, 1980; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1194 Rescinded.

History: 1979 ACS 2, Eff. May 2, 1980; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1195 Rescinded.

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History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1197 Rescinded.

History: 1979 ACS 2, Eff. May 2, 1980; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1200 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1200a Rescinded.

History: 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1200b Rescinded.

History: 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1200c Rescinded.

History: 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

PART 2. DEALERS

R 125.1201 Application; form; filing.

Rule 201. (1) An applicant shall file a completed original licensing application with the department on a form prescribed by the department not less than 30 days before the date on which the applicant intends to be a retailer and engage in retail sales or intends to be an installer and servicer and install or service homes.

(2) If a licensing application is for a new community, then the applicant shall file an application with the department, on a form proscribed by the department, after completion of construction of the part of the community to be licensed but before homes are occupied.

(3) If a licensing application is for a community that was previously owned by another person, then the applicant shall file an application with the department, on a form prescribed by the department, not more than 30 days after the applicant records the deed to the community.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1202 Application; truthful completion.

Rule 202. An applicant for a license under the act shall complete the application truthfully and shall not misrepresent any material fact on the application.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1202a Credit reporting.

Rule 202a. An individual, including all general partners or copartners in a partnership and officers of a corporation applying for an initial license under the act or these rules, shall submit a credit report as part of the application process, unless the department obtains the report directly from the credit reporting agency. The credit reporting agency shall forward the credit report to the department. Credit reports shall be for the confidential use of the department only and shall not be available for public inspection under section 13(1)(a) of Act No. 442 of the Public Acts of 1976, as amended, being §15.243(1)(a) of the Michigan Compiled Laws, and known as the freedom of information act.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1202b Disclosure.

Rule 202b. Under section 38 of the act, when filing an application under the act or these rules, all general partners or copartners in a partnership, officers of a corporation, or sole proprietors shall provide all of the following information:

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(a) A conviction or administrative or civil judgment rendered against them within 10 years before the date of the application in connection with any aspect of the business of homes, which includes, but is not limited to, sales, brokering, installation, servicing, financing, and insuring homes or any aspect of community ownership, management, operation, development, or construction.

(b) A conviction or administrative or civil judgment rendered against them within 10 years before the date of application in connection with a violation of a statute regulating the offering of securities or franchises or regulating builders, real estate brokers, or real estate agents or a violation of Act No. 286 of the Public Acts of 1972, as amended, being §565.801 et seq. of the Michigan Compiled Laws, and known as the land sales act.

(c) A criminal record check on a form provided by the department.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1203

Source: 1980 AACs.

R 125.1204 Applications; changes, additions, or corrections.

Rule 204. An applicant shall file a change to a licensing application with the department within 10 days after the change is made.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1204a Additional licenses; filing of information.

Rule 204a. If a person holds a license issued under the act and subsequently applies for an additional license issued under the act, then the applicant need file only that information not on file with the department in addition to the appropriate application and fee.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1205 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1206

Source: 1997 AACs.

R 125.1207

Source: 1985 AACs.

R 125.1207 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1985 MR 6, Eff. July 17, 1985; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1207a Rescinded.

History: 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1208 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1209 License issuance licensee's true and assumed names required to appear on license; duplicate license.

Rule 209. A license may be issued to a person who meets the requirements of the act and these rules. The licensee's true name and assumed name, if applicable, must appear on its license. The department shall issue a duplicate license after the licensee submits a verified statement of loss of the original license to the department.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

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R 125.1210 License issuance; age of individual.

Rule 210. A person shall be 18 years of age or older to be issued a license.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1211 License; issuance to operator.

Rule 211. A license shall be issued only if the individual who applies for the license is the operator.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1211a Use of similar names on license prohibited; exception.

Rule 211a. After the effective date of this rule, a person who receives a new license may not have a true or assumed name which is so similar to the true or assumed name on an existing license that it would be confusing to the public. This rule does not apply to a person who has an existing license and receives a new license for, or adds to its existing license, another location if the true or assumed name of the other location is similar to the true or an assumed name on the existing license.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1211b License display.

Rule 211b. A license issued under the act and these rules shall be conspicuously displayed at the location shown on the license.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1212 License; request for renewal;fee.

Rule 212. A request for the renewal of a license shall be on a form provided by the department and shall be accompanied by the following fee, as applicable:

- (a) The fee specified in section 21(4) of the act for a retailer license.
- (b) The fee specified in section 21(5) of the act for an installer and servicer license.
- (c) The fee specified in R 125.1305 for a community license.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1998 MR 7, Eff. July 16, 1998.

R 125.1213 Temporary original license.

Rule 213. The department may authorize or issue temporary original licenses as evidence of proper licensing. The department shall prescribe the information that the license shall contain.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1213a License; failure to renew; expiration.

Rule 213a. (1) If a licensee fails to file a license renewal application with the department before October 1, then the license held shall expire in compliance with sections 16 and 21 of the act.

(2) A license that is issued under the act shall expire annually on September 30.

History: 1998 MR 7, Eff. July 16, 1998

R 125.1214 Operation after expiration of license.

Rule 214. A licensee may continue to operate as previously licensed using only its expired wall license as evidence of proper licensing if its completed application for renewal, with proper fee, has been received by the department before October 1.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1214a Disposal of interest in home business; notice.

Rule 214a. A licensee shall notify the department, in writing, within 10 days after having sold, transferred, given away, or otherwise disposed of a home business. The notice shall include the name, address, and telephone number of the new owner of the home business.

History: 1998 MR 7, Eff. July 16, 1998.

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R 125.1214b Employment of operator of licensee whose license is suspended or revoked prohibited.

Rule 214b. A licensee shall not employ an individual who was an operator of a licensee whose license has been suspended or revoked under the act during the time of suspension or revocation.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214c Return of suspended or revoked license.

Rule 214c. The holder of a license or licenses issued under the act shall return the license or licenses to the department within 5 days after suspension or revocation. Return shall be made either personally, for which receipt shall be obtained, or by certified mail.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214d Local government; licensing.

Rule 214d. A local government shall not require a person licensed under the act to obtain a local license or to register its license unless the requirement is established by ordinance and the ordinance is approved by the commission under the provisions of section 7(2) of the act.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214e Original license required to engage in retail sale of homes.

Rule 214e. A retailer shall not engage in the retail sale of homes until the retailer receives an original license from the department.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214f Surety bonds; cancellation.

Rule 214f. (1) A surety bond of \$10,000.00 or a deposit of \$10,000.00 in cash or securities, made out to: "People of the State of Michigan," on forms prescribed by the department, is required for each retailer location and shall accompany an application for a retailer's license. (2) Cancellation of the surety bond required by subrule (1) of this rule is cause for suspension or revocation of a retailer license. (3) If a surety bond is not renewed before the cancellation date, then the retailer shall stop all sales activity.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214g Master Retailer's license; master license amendments; application for amendments; "location" defined.

Rule 214g. (1) An applicant shall obtain a master license for the principal location from which the applicant proposes to operate.

(2) If the applicant intends to operate sales locations in addition to the principal location, then the applicant shall, on a form prescribed by the department, apply for an amendment to the master license for each location.

(3) The applicant shall be required to file an application form with appropriate fees for the master license and for each amendment.

(4) When applying for amendments to a master license, an applicant shall comply with the requirement for a location surety bond under R 125.1205.

(5) As used in this rule, "location" means a staffed sales office that lists or sells, or lists and sells, new or pre-owned homes.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214h Temporary retailer location.

Rule 214h. (1) A retailer's license is not required for home exhibition and sales at locations such as shopping centers, public shows, or other similar limited-term general public events.

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(2) The length of the exhibition and sales shall not be more than 20 calendar days at any one time and shall not be more than a total of 60 calendar days within a 12-month period.

(3) A retailer shall notify the department, in writing, before placing homes at temporary locations. The notice shall include the name of the event, address, and inclusive dates for the exhibition and sales.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214i Installer or servicer; licensing required.

Rule 214i. (1) A person who, for compensation installs or disassembles the installation of homes, including their nonpermanently affixed steps, skirting, and anchoring systems, or who services homes, for which service another Michigan license is not required, shall be licensed as an installer and servicer.

(2) Before applying for an original or renewed installer and servicer license, an authorized representative of the applicant shall complete department-approved installation instruction within the current licensing year.

(3) Pursuant to the provisions of the act, a manufacturer may install and service homes that it manufactured without an installer and servicer license.

(4) An individual who is employed by a manufacturer as an installer and servicer is not required to obtain a license unless the employee engages in the installation and servicing of homes on his or her own behalf, outside the scope of his or her employment with the manufacturer.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214j Installer and servicers; liability and worker's compensation insurance; cancellation.

Rule 214j. (1) As a condition of licensing, an installer and servicer shall maintain liability insurance of not less than \$1,000,000.00 and worker's compensation insurance. Finished product liability shall not be a condition of the insurance coverage required by this rule. (2) If an installer and servicer's liability or worker's compensation insurance is canceled, then the installer and servicer shall immediately stop all business activity and the department shall be notified within 10 days of the cancellation.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214k Operation of community; license required.

Rule 214k. A person shall not operate a community within this state unless the person has a license issued by the department.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214l License; issuance upon receipt of department of environmental quality certification of compliance; conditional license; "conditional license" defined.

Rule 214l. (1) The department may issue a license upon receipt of a certification of compliance from the department of environmental quality that a community is licensable.

(2) If the department of environmental quality issues a conditional certificate of compliance to the department, then the department may issue a conditional license. All conditions set forth in the conditional certification of compliance shall be filed with the department. A conditional license may be issued if the applicant or licensee and the department stipulate to a schedule that corrects the deficiencies. Even though the department of environmental quality has issued an unconditional certificate, the department may, after notice of hearing, issue a conditional license if other sections of the act and these rules are not met by the licensee or applicant. As used in this subrule, "conditional license" means a license which is limited by time or terms or both and which may be extended by the department within the license year without payment of additional fees.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214m License; application for renewal; tax payment statement.

Rule 214m. In addition to other information prescribed by these rules to be part of an application for the renewal of a community license, the department shall receive a written and signed statement from the local tax authority stating that all specific taxes are paid to date under Act No. 243 of the Public Acts of 1959, as amended, being §125.1035 et seq. of the Michigan Compiled Laws, and known as the mobile home park act.

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History: 1998 MR 7, Eff. July 16, 1998.

R 125.1214n New community and additional home sites license; application; issuance; conditions.

Rule 214n. (1) An application for a new community license shall be submitted to the department under the provisions of R 125.1201 to R 125.1214d and R 125.1214k to R125.1214n.

(2) On a form prescribed by the department, the owner or operator of an existing licensed community who has expanded the community under a plans approval and permit to construct shall apply to add the additional home sites to the community's existing license.

(3) Before the department issues an initial license for a new community or adds additional home sites to the community's existing license, all of the following shall be certified to be complete under the provisions of section 14 of the act:

(a) Internal roads, except the department may allow the final lift of the road to be constructed in the next construction season.

(b) Home site individual sidewalk.

(c) Common sidewalks, if provided.

(d) Parking servicing the home site.

(e) Patios, if provided.

(f) Permanent foundations.

(g) Internal road lighting servicing the completed home sites. Except in a seasonal community, a licensed and occupied home site or a licensed home site that is unoccupied 24 months or more after licensure shall meet the light intensity standard set forth in R 125.1929.

(h) At a minimum, the stabilization of the soil on the completed home sites to prevent, as much as possible, erosion and soil runoff.

(4) Upon approval by the department, all of the following may be installed after licensing of a home site for the purpose of customizing the home site to a specific home:

(a) The home site individual sidewalk.

(b) Parking on the home site.

(c) Patio, if provided.

(d) Light fixture, if on the home site.

(e) Permanent foundation.

(5) The owner of a community may be required to post a performance bond in an amount that covers the costs of completion of construction as determined by the department. The bond shall be made payable to the "State of Michigan" and shall be submitted to the department with a community's application.

(6) All of the following documents shall be filed with the application for a new community or additional home sites license:

(a) An affidavit signed by the community owner or operator and an engineer or architect stating that the construction was completed according to the approved plans and specifications under the provisions of section 14 of the act. If the community owner or operator elects to complete the home site under the provisions of subrule (3) of this rule, then the affidavit shall specifically state that the home site construction shall be completed before the home is occupied and shall be completed according to the approved plans and specifications. The affidavit shall cite the specific home sites to be licensed by home site number.

(b) Certification of the community sewer system by home site number under the provisions of R 325.3391.

(c) Certification of the community electrical system by home site number under the provisions of R 325.3391.

(7) Upon certification of the home sites by the Michigan department of environmental quality under the provisions of section 17(1) of the act, the department may issue a license.

(8) It shall be a violation of this rule and section 16 of the act if any home that is placed on a home site is occupied by residents before the home site is licensed. In a licensed community, each home site that has a home occupied by residents shall be licensed whether or not it is being offered to the public.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1215

Source: 1997 AACs.

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R 125.1216 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1984 MR 3, Eff. Apr. 17, 1984; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1217 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1984 MR 3, Eff. Apr. 17, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1218 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1979 ACS 12, Eff. Oct. 21, 1982; 1979 ACS 14, Eff. Apr. 5, 1983; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1218a Rescinded.

History: 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1219 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1220 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1221 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1222 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1223 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1224 Rescinded.

History: 1954 ACS 96, Eff. July 12, 1978; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1985 MR 6, Eff. July 17, 1985; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1224a Rescinded.

History: 1979 ACS 12, Eff. Oct. 12, 1982; 1984 MR 3, Eff. Apr. 17, 1984; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1224b Rescinded.

History: 1979 ACS 12, Eff. Oct. 21, 1982; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1225 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1225a Rescinded.

History: 1979 ACS 14, Eff. Apr. 5, 1983; rescinded 1984 MR 6, Eff. June 30, 1984.

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R 125.1226 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1227 Rescinded.

History: 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1227a Rescinded.

History: 1979 ACS 2, Eff. May 2, 1980; 1985 MR 6, Eff. July 17, 1985; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1228 Rescinded.

History: 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1229 Rescinded.

History: 1979 ACS 2, Eff. May 2, 1980; 1985 MR 6, Eff. July 17, 1985; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1230 Rescinded.

History: 1979 ACS 2, Eff. May 2, 1980; 1985 MR 6, Eff. July 17, 1985; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1231 Rescinded.

History: 1985 MR 6, Eff. July 17, 1985; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.1232 Rescinded.

History: 1985 MR 6, Eff. July 17, 1985; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

PART 3. FEES

R 125.1302 Certificate of manufactured home ownership; application; fees.

Rule 302. (1) A seller or the seller's authorized representative shall, on a form prescribed by the department, file an application for a certificate of manufactured home ownership and the appropriate fee with the department or its authorized representative within 30 days after the closing of the sale transaction. In addition, a late fee of \$15.00 shall be charged if the application is filed after the 30-day limit. The payment of a late fee does not preclude administrative action being taken against the seller or the seller's authorized representative.

(2) An additional fee of \$5.00 shall be added to all other fees if a certificate of manufactured home ownership is requested to be issued expeditiously.

(3) A seller or the seller's authorized representative shall pay the appropriate amount of sales tax at the time of filing the application.

History: 1979 ACS 2, Eff. May 2, 1980; 1990 MR 1, Eff. Feb. 2, 1990; 1998 MR 7, Eff. July 16, 1998.

R 125.1305 Community license; renewal.

Rule 305. (1) Each applicant for a community license or for a license renewal shall make application for the license or the license renewal on a form provided by the department. Except for a seasonal community, the nonrefundable fee for the annual license is \$75.00, plus an additional \$1.00 for each home site in excess of 25 home sites in the community. For a seasonal community, the nonrefundable fee for the annual license is \$40.00, plus an additional 50 cents for each home site in excess of 25 home sites in the community.

(2) The fee shall be submitted with the application to the department.

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History: 1954 ACS 96, Eff. July 12, 1978; 1979 AC; 1979 ACS 11, Eff. July 7, 1982; 1998 MR 7, Eff. July 16, 1998.

R 125.1310 Late fee.

Rule 310. A nonrefundable late fee equal to the original fee shall be charged for any license issued under the act if timely application is not made by the applicant pursuant to the submission date contained in these rules or the act. The payment of a late fee does not preclude administrative action being taken against the applicant.

History: 1954 ACS 98, Eff. Feb. 18, 1979; 1979 AC; 1979 ACS 11, Eff. July 7, 1982; 1998 MR 7, Eff. July 16, 1998.

R 125.1315 Community construction and conversion fees.

Rule 315. (1) The following nonrefundable fees shall accompany the documents submitted under R 125.1905 for new community construction or for expansion of an existing licensed community:

(a) Application for plans approval and a permit to construct \$185.00 plus an additional \$4.00 for each home site over 25 home sites, to a maximum of \$1,000.00.

(b) Application for an extension of a permit to construct \$185.00.

(2) A nonrefundable fee of \$505.00, plus an additional \$4.00 for each home condominium home site over 25 home sites, that is to be constructed, shall accompany the documents that are submitted for the construction of a new home condominium or the expansion of an existing home condominium.

(3) For an existing community that converts to a home condominium with an increase in the number of home sites within the community, the accompanying nonrefundable fee shall be \$505.00, plus an additional \$4.00 for each home condominium home site over 25 home sites, to a maximum of \$1,480.00.

(4) A nonrefundable fee of \$50.00 shall accompany an application for a permit to construct that is submitted under the provisions of R 125.1950.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1979 ACS 11, Eff. July 7, 1982; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1320 Fees for public documents.

Rule 320. (1) Upon written request, the department shall provide to the requestor copies of any document retained by the department that is determined to be a matter of public record.

(2) A minimum fee of \$5.00 shall be charged for any request. For requests that exceed the minimum fee, the following schedule of fees applies:

| | |
|------------------------|---------------------|
| (a) Standard document | \$.25 per page. |
| (b) Certified document | 5.00 per page. |
| (c) Microfiche | \$.50 per fiche. |
| (d) Magnetic tape | 21.70 per reel. |
| (e) Cassette tape | 20.00 per cassette. |
| (f) Hearing transcript | \$.50 per page. |
| (g) Computer print-out | Actual cost. |
| (h) Postage | Actual cost. |
| (i) Labor | 4.09 per hour. |

(3) All fees shall be paid by cash, by check or money order payable to the State of Michigan, or by other means as determined by the department and authorized by law.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

PART 4. INSTALLER AND REPAIRER LICENSING

R 125.1401 Advertising; prohibited activities.

Rule 401. A retailer, in connection with the sale of homes, equipment, or accessories, shall not, directly or indirectly, engage in any of the following activities:

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- (a) Advertise a home for sale if the name of the retailer does not appear in the advertisement. A home committed by a home owner to a retailer for sale may be advertised if the offer visibly states that the home is “offered on consignment.”
- (b) Advertise a home and falsely offer any year of manufacture, make, type, model, serial number, fixed location, price, equipment, or terms or make a claim or condition to the sale of a home that is not truthful.
- (c) Advertise the phrase “close out,” “final clearance,” or “going out of business” or similar phrases in connection with home sales without clarification if this is not the case. A retailer who is going out of business shall comply with the provisions of Act No. 39 of the Public Acts of 1961, as amended, being §442.211 et seq. of the Michigan Compiled Laws, an act which includes regulation of the sales activities of businesses that are going out of business.
- (d) Advertise the term “authorized retailer if the retailer is not a manufacturer’s authorized retailer or advertise as a franchised retailer when the retailer is not a registered franchised retailer under Act No. 269 of the Public Acts of 1974, as amended, being §445.1501 et seq. of the Michigan Compiled Laws, and known as the franchise investment law.
- (e) Advertise a home by making inaccurate, misleading, or false comparisons with competitors’ services, prices, products, quality, or business methods.
- (f) Use a picture or photograph of a home in advertising if the picture or photograph does not represent a home of the same year of manufacture, make, and model and does not contain all the standard equipment of the model that is actually being offered for sale at the price quoted in the advertisement.
- (g) Advertise a home for sale in a manner that conveys or creates an erroneous impression as to which home is being offered at the advertised price.
- (h) Advertise the statement “write your own deal” or “name your own price” or similar statements, unless the statements are true and a buyer can, in fact, negotiate his or her own price.
- (i) Advertise the phrase “at cost,” “below cost,” “below wholesale,” “below invoice,” “above cost,” “above wholesale,” or “above invoice” or similar phrases in connection with a retail sale, unless the phrases are true. As used in this subsection, “cost” means the actual price paid by a retailer to a manufacturer for a specific home as that price appears on the retailer invoice received from the manufacturer.
- (j) Advertise a specified trade-in amount or range of amounts for a pre-owned home without offering the advertised trade-in amount or range of amounts regardless of the condition of the pre-owned home when presented to the retailer for trade-in by a prospective customer, unless the statement “subject to condition appraisal” is contained in the advertisement.
- (k) Advertise that “no retailer has lower prices,” “the retailer is never undersold,” or statements of similar meaning, unless the statements are true.
- (l) Advertise in a manner that is false or misleading as to what a new home guarantee, warranty, or protection includes.
- (m) Advertise the phrase “manufacturer’s warranty,” unless referring to a new home covered by a bona fide written manufacturer’s warranty.
- (n) Advertise equipment, accessories, or other merchandise as “free” if the cost, or any part of the cost, is included in the quoted price of the home.
- (o) Advertise the phrase “no credit rejected” or “we finance everyone” or similar phrases, unless the phrases are true.
- (p) Advertise the offering of a rebate or referral bonus unless true.
- (q) Advertise a home as new, unless it has never been occupied. A home which is not of a current year of manufacture, but which has never been occupied, may be advertised as new if the year of manufacture is stated in the advertisement.
- (r) Advertise, or infer by advertising, that a home is “repossessed,” unless it is true.
- (s) Advertise in any manner which infers that a purchaser will be receiving benefits of an existing loan on a home if the benefits do not exist.
- (t) Advertise pre-owned homes as carrying an unused portion of the original manufacturer’s warranty, unless this is true.
- (u) Advertise the terms of financing a home, unless the advertisement is in compliance with all of the requirements of the federal truth in lending act, 15 U.S.C. §601 et seq., and the accompanying regulation Z, 12 C.F.R. part 226 et seq.

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- (v) Advertise under any other name than that which appears on the retailer license.
 - (w) Advertise in a manner which implies that a retailer represents an entity other than itself, unless it is true.
 - (x) Advertise for the buying of a home without the telephone number and the name of the retailer.
- History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1402 Accounts and records; record of homes bought, sold, or exchanged; content; application for certificate of manufactured home ownership; purchase agreement; retention of additional records; consumer deposit records; accounts and records inspection; bond, cash, or security deposit records.

Rule 402. (1) In addition to accounts and records that are required by local ordinances, by other laws, or as prescribed elsewhere in these rules, a retailer shall maintain a record of all homes bought, sold, or exchanged for 4 years. The record shall include all of the following entries:

- (a) The date each home is taken into inventory.
 - (b) The name and address of the person from whom the home was obtained.
 - (c) The purchase or stock number of the home.
 - (d) The identification number of the home.
 - (e) The manufacturer's trade name.
 - (f) The year of manufacture and model name or number of the home.
 - (g) The dates bought, sold, and exchanged.
 - (h) The name and address of the purchaser.
- (2) If a retailer is selling or brokering the home, the retailer or its authorized representative shall prepare an application for a certificate of manufactured home ownership, which shall include any lien held against the home. The application shall be on a form prescribed by the commission and shall be filed with the department.
- (3) All sales of a home shall be executed by purchase agreement.
- (4) A retailer shall retain all of the following documents for 4 years:
- (a) A copy of the manufacturer's invoice for each new home.
 - (b) A copy of each purchase agreement, as defined in these rules, with any attachments needed to complete the purchase agreement for each home bought, sold, and exchanged.
 - (c) The retailer's copy of the validated application for a certificate of manufactured home ownership.
 - (d) Service records for each home sold. If the home is pre-owned, all records that the retailer may have knowledge of shall be retained.
 - (e) A list of all options purchased with a specific home, unless otherwise contained in the purchase agreement.
 - (f) A copy of the retail installment sales agreement for all retailer-arranged financing.
- (5) A retailer that maintains an escrow account shall maintain a separate record of consumer deposits at its principal place of business for 4 years.
- The records shall consist of all of the following:
- (a) A record that shows the chronological sequence in which consumer deposits are received and disbursed.
 - (b) For consumer deposits received, the record shall include all of the following information:
 - (i) The date of receipt.
 - (ii) The name of the individual who is giving the consumer deposit.
 - (iii) The name of the individual receiving the consumer deposit.
 - (iv) The amount.
 - (c) If the consumer deposit is in the form of collateral or security other than cash or a cash negotiable instrument, then the record shall specifically identify the collateral or security, and the cash value shall be the same as contained in the purchase agreement.
 - (d) For disbursements, the record shall include all of the following information:
 - (i) The date.
 - (ii) The payee.
 - (iii) The check number.
 - (iv) The amount.

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- (e) A running balance shall be shown after each entry of receipt and disbursement.
- (6) All accounts and records that are required by these rules to be retained shall be available for inspection by an authorized representative of the department during normal business hours.
- (7) A retailer who maintains a bond, cash, or security deposits in place of an escrow account shall maintain a record for 4 years consisting of the following:
 - (a) For consumer deposits received, the record shall include all of the following information:
 - (i) The date of receipt.
 - (ii) The name of the individual who is giving the consumer deposit.
 - (iii) The name of the individual receiving the consumer deposit.
 - (iv) The amount.
 - (b) If the consumer deposit is collateral or security other than cash or a cash instrument, then the record shall specifically identify the collateral or security, and the cash value shall be the same as contained in the purchase agreement.
 - (c) For disbursements, the record shall include all of the following information:
 - (i) The date.
 - (ii) The payee.
 - (iii) The check number.
 - (iv) The amount.
 - (8) The retail installment contract shall disclose all arrangements made between the retailer and the consumer regarding the down payment, such as any of the following:
 - (a) Trade-ins.
 - (b) Rebates.
 - (c) Promissory notes.
 - (d) Cash.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1403 Consumer deposits; providing consumer with executed purchase agreement; recording amount of down payment; refunds; notice to consumer of intent to cancel purchase agreement; accepting deposits and agreements in name of retailer; escrow accounts; alternative to escrow account; notice of refund on purchase agreement.

- Rule 403. (1) Before receiving a consumer deposit, a retailer shall give the consumer an executed purchase agreement.
- (2) A retailer shall record the exact amount of the down payment on each request for financing that is sent to a lending institution.
- (3) A retailer shall refund to a consumer the total amount of a consumer deposit on the purchase of a home not more than 15 banking days after a request for financing has been rejected by the lending institution or if the consumer cancels the purchase agreement before the binding date under subrule (8) of this rule. The consumer shall notify the retailer, in writing, of his or her intent to cancel the purchase agreement. The notification shall be delivered to the retailer by certified mail postmarked before the close of the business day on the binding date to be eligible for return of the consumer deposit. A retailer has no obligation to refund the consumer deposit if the consumer cancels the purchase agreement of a new or pre-owned home after the binding date. As used in this subsection, "binding date" means either 7 days after the date that a purchaser of a home receives a legible copy of the executed purchase agreement or the time at which the purchase agreement is executed if an application for certificate of manufactured home ownership is executed within 7 days.
- (4) An employee who accepts consumer deposits and purchase agreements in the name of a retailer shall be deemed to be authorized by the retailer to accept the deposits.
- (5) As a condition of licensing, a retailer shall establish an escrow account, post a consumer deposit bond, or deposit cash or other securities in compliance with the provisions of section 24(c) of the act for the protection of consumer deposits received by the retailer.

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(6) If a retailer establishes an escrow account, it shall place all consumer cash deposits or similar negotiable instruments of the consumer's deposit in the escrow account by the end of the second banking day following receipt. Escrow accounts shall be maintained as checking accounts.

(7) A retailer may maintain more than 1 escrow account. A retailer may maintain not more than \$500.00 of its own funds in each deposit escrow account to cover bank service charges and to avoid the account being closed or overdrawn if there are no other funds in the account. The funds shall be accounted for in a bookkeeping system as prescribed in these rules.

(8) In place of an escrow account, a retailer may maintain, for each location, a consumer deposit bond or cash or security deposits in an amount equal to the highest monthly receipts of consumer cash deposits and cash value of other security recorded over the previous 3 years. If the highest monthly receipts formula is used to determine the amount of the bond or deposit, then the amount of the bond or deposit shall be adjusted to reflect the previous 3 years' experience before a license is renewed. If at any time the consumer deposits received exceed the amount of the bond or deposit established under the formula, then the retailer shall immediately increase the amount of the bond or deposit or escrow the excess amount.

(9) If a retailer posts a bond or deposits cash or other securities, then the retailer who files an initial application shall maintain the bond, cash, or other securities at a minimum of \$10,000.00 per location until sufficient data is available to comply with the formula. If the retailer has more than 1 location, then the required bonds or deposits may be combined into 1 bond or deposit.

(10) All bonds shall be made out to the "State of Michigan" on a form prescribed by the department and shall accompany an application for a retailer's license. All cash or security deposits shall be deposited with the State of Michigan upon application for a retailer's license. If the application is for a renewal license only, and if a copy of the bond is on file and the bond is continuous or if the cash or securities are on deposit, then this subrule shall not apply.

(11) If a retailer establishes an escrow account, then the retailer shall file, with the department, on a form prescribed by the commission, an affidavit attesting to the fact that account has been established. The affidavit shall be filed as an enclosure to the retailer license application.

(12) The front of each purchase agreement shall contain the following statement in not less than 8-point, Gothic, all caps type:

"Seven days after the purchaser receives a legible copy of the executed purchase agreement, or if any time within the 7 days an application for a certificate of manufactured home ownership is signed by both the purchaser and seller, the sale is final and the retailer is not obligated to refund the consumer deposit if the purchaser subsequently cancels the agreement. If the purchaser elects to cancel the purchase agreement within the 7 day limit and an application for a certificate of manufactured home ownership has not been signed by the seller and purchaser, the purchaser shall notify the retailer in writing postmarked before the end of the 7th day to be eligible for full refund of the consumer deposit."

The provisions of this subrule do not apply if a retailer is acting as a broker.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1404 Prohibited business practices.

Rule 404. (1) In addition to other laws and rules promulgated for the purpose of regulating business practices, a retailer shall not engage in any of the following practices:

(a) Without the express written consent of the purchaser, alter or substitute a home purchased from inventory for which a purchase agreement has been executed by all parties to the transaction. The purchaser's consent shall become an attachment to the purchase agreement.

(b) Without the express written consent of the purchaser, alter, substitute, or remove a part, option, accessory, or item of standard equipment of a home purchased from inventory for which a purchase agreement has been executed by all parties to the transaction. The purchaser's consent shall become an attachment to the purchase agreement.

(c) Without the express written consent of the purchaser, alter, or substitute a part or entry of, a purchase or financing agreement after the agreement has been executed by all parties to the transaction, without the express written consent of the purchaser. The purchaser's consent shall become an attachment to the purchase or financing agreement.

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(d) Perform repairs on a home, including an option, accessory, or item of standard equipment of a home, that results in the alteration or substitution to the manufacturer's construction and performance standards in effect at the time of manufacturing.

(2) A retailer shall comply with the provisions of Act No. 331 of the Public Acts of 1976, being §445.901 et seq. of the Michigan Compiled Laws, and known as the Michigan consumer protection act.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1998 MR 7, Eff. July 16, 1998.

R 125.1405 Disclosure of business relationships with lending institutions and insurance companies.

Rule 405. (1) A retail installment sales agreements utilized by a retailer shall conform to the federal consumer credit protection act, Public Law 90-321, 15 U.S.C. §1601 et seq., and to Act No. 224 of the Public Acts of 1966, as amended, being §445.851 et seq. of the Michigan Compiled Laws, and known as the retail installment sales act. Any retail installment sales agreement shall fully disclose the terms and conditions of finance charges in credit transactions or in offers to extend credit.

(2) A retailer shall not require retailer-obtained financing or insurance of a home as a condition of sale.

(3) A retailer shall pay its floor plan lender for a home within 15 days after the retailer receives payment for the home from a purchaser or a purchaser's lender.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1406

Source: 1997 AACs.

R 125.1407 Retailer termination; "terminating" defined.

Rule 407. (1) Immediately upon determining to terminate, a retailer shall do all of the following:

(a) By certified mail, notify all of the following entities with whom the retailer is doing business of its proposed termination:

(i) The department.

(ii) Each bonding agency.

(iii) Each financial and loaning institution.

(iv) Each manufacturer of a new home for which the retailer is an authorized agent.

(v) Each insurance company.

(b) By certified mail, notify each purchaser of a new or pre-owned home who within 1 year before the proposed termination date, purchased a home from the retailer that the retailer shall be terminated. The notification shall clearly state the responsibilities for future service and repair under guarantees and warranties, financial claims, and all other retailer claims and obligations previously issued under the purchase agreement.

(c) By certified mail, send a complete list of all home purchasers to each manufacturer of new homes sold by the retailer 1 year before the proposed termination date. The list shall contain all of the following information:

(i) The name and most recent known address of the purchaser.

(ii) The name, model, and serial number of the home.

(iii) The date the manufacturer's warranty was effective.

(iv) The remaining warranty.

(2) In addition to complying with the notice requirements specified in subrule (1) of this rule, a retailer shall, before the department terminates the retailer license, send the department, by certified mail, a statement that contains its proposal of the settlement of all service, warranty and guarantee, and financial obligations previously issued by the retailer under an agreement. The proposed settlement of service, guarantee, and warranty obligations shall clearly state the retailer's commitments under previously issued agreements.

(3) A terminated retailer shall retain all accounts and records prescribed by these rules for 4 years after the date of retailer termination.

(4) If required, a retailer who terminates shall surrender all accounts and records to the department.

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(5) If, in the judgment of the department, disclosure regarding a matter under investigation is warranted, the department may require a retailer who is terminating to provide, to the department, in the form and manner that the department may specify, any records necessary to conduct any investigation the department is authorized under the act to perform.

(6) Records may include documents, ledgers, writings, or transcriptions indicating financial transactions relating to the sale, purchase, offer to sell, or rental of homes, home sites, or equipment relating to homes or home sites. Records may also include evidence of any fiduciary or escrow relationships or obligations created by the transactions specified in this subrule.

(7) The person from whom records are requested shall provide the records to the department not later than 15 days after the date the person receives written notice of the request, unless advised otherwise by the department.

(8) Failure to provide information sought under the provisions of this rule is a violation of the act.

(9) A retailer that is terminating shall post a sign which states that the retailer is terminating. The sign shall be provided by the department.

(10) As used in this rule, the term “terminating” means the intent to cease activities authorized under the terms and powers of a retailer’s license specified in the act.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1408 Warranties and service.

Rule 408.(1) A new home sold by a retailer situated in this state shall be covered by a written warranty from the manufacturer or retailer.

(2) A manufacturer shall warrant that the home is free from substantial defects in materials or workmanship and was delivered to the retailer in that condition. A manufacturer or retailer shall also warrant that the Michigan laws and rules existing at the time of construction as to fire protection and detection were complied with.

(3) A retailer shall warrant that the home is free from substantial defects in materials or workmanship when sold to the buyer.

(4) A manufacturer and retailer shall warrant that they, or 1 of them, shall take appropriate corrective action at the site of the home for breach of their respective warranty obligations for a defect that becomes evident within 1 year from the date of the delivery of the home to the purchaser. However, the purchaser must give written notice of the defect to the manufacturer or retailer at its last known business address not later than 1 year and 10 days after date of delivery of the home to the first retail buyer.

(5) A home includes the structure, plumbing, electrical, heating, and fire detection systems installed in the home and the appliances situated in the home, unless the appliances are covered by a warranty from the appliance manufacturer that equals or exceeds the warranty provided in subrules (2), (3), and (4) of this rule.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1409 Retailer acting as broker; responsibilities.

Rule 409. (1) A retailer acting as a broker who obtains a home listing shall give a true copy of the listing agreement to the listing homeowner. A listing agreement shall be completed by the retailer acting as a broker before it is signed by the listing homeowner.

(2) A listing agreement shall set forth an expiration date. A listing agreement shall not contain a provision requiring the listing homeowner to notify the retailer acting as a broker of the listing homeowner’s intention to cancel the listing on or after the expiration date.

(3) A retailer acting as a broker shall deliver to an offeror a signed copy of the offer to purchase immediately after it is signed by the offeror. Upon receipt of the written offer to purchase, a retailer acting as a broker shall promptly deliver the written offer to purchase to the seller. Upon obtaining a proper acceptance of the offer to purchase that is signed by the seller, the retailer acting as a broker shall promptly deliver true copies of the acceptance to the purchaser and the seller. A retailer acting as a broker shall certify, in writing, that all conditions of the home transaction are included in the offer to purchase.

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(4) A retailer acting as a broker who is involved in the consummation of a home transaction shall furnish the buyer and seller with a complete and detailed closing statement which is signed by the retailer acting as a broker and which shows all receipts and disbursements of the transaction.

(5) A retailer acting as a broker shall not close a home transaction contrary to the terms or conditions of the offer to purchase, unless the written amendments are approved and signed by the purchaser and the seller.

(6) A person seeking an exclusion to the definition and rules of a retailer shall show proof of the exclusion.

(7) In addition to accounts and records prescribed by these rules, a retailer acting as a broker shall retain copies of all of the following for a period of 4 years:

(a) Listing agreements.

(b) Offers to purchase.

(c) Validated applications for a certificate of manufactured home ownership.

(d) Closing statements.

(e) Leasing agreements.

(f) Each written complaint received.

(g) Consumer deposit accounts and records.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1410 Retailer; place of business.

Rule 410. A retailer shall maintain a place of business that is an actual, physically established location from which business can be conducted. A place of business shall have accounts and records available for inspection by a representative of the department during normal business hours. A post office box, secretarial service, telephone answering service, or similar entity does not constitute an actual, physically established location.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1411 Retailer or agent; prohibited activities.

Rule 411. (1) A retailer or agent of a retailer shall not do any of the following:

(a) Aid or abet an unlicensed person to evade the provisions of the act or these rules.

(b) Knowingly combine or conspire with, or be acting as an agent, partner, or associate for, an unlicensed person.

(c) Allow one's license to be used by an unlicensed person.

(d) Be acting as or be an apparent licensed retailer for an undisclosed person or persons who do or will control or direct, or who may have the right to control or direct, directly or indirectly, the business operations or performance, or both, of the licensee.

(e) Buy or acquire, directly or indirectly, an interest in a home that is listed with the retailer, unless the true position of the retailer or agent is clearly made known to the listing owner.

(f) Acquire, directly or indirectly, an option to purchase a particular home, unless the true position of the retailer or agent is clearly known to the homeowner of the particular home who requested the services of the retailer or agent to transact the brokering of the particular home.

(g) When buying or acquiring an interest in a home, directly or indirectly, charge or accept from the seller, directly or indirectly, a commission, fee, or other valuable consideration as a result of the sale of the home in the transaction without receiving the seller's previous written consent to the specified consideration.

(h) Enter into a net listing agreement with a homeowner or seller in which the retailer receives, as its payment, all monies in excess of the minimum sales price agreed upon by the retailer and the seller.

(2) Upon a request by the department, a retailer or salesperson shall present proof of compliance with this rule.

(3) A retailer shall not purchase or otherwise acquire a home from a person unless the certificate of manufactured home ownership for the home is conveyed to the retailer by the current homeowner or homeowners, their legal heirs, or their designated agent.

(4) A retailer shall not enter into a listing agreement with any person other than the person or persons indicated on the certificate of manufactured home ownership, their legal heirs, or their designated agent.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

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R 125.1412

Source: 1997 AACS.

R 125.1413 “Other transfers” explained.

Rule 413. “Other transfers,” as used in section 30c(3)(b) of the act, includes the following transfer. If a homeowner dies owning 1 or more homes that have a total value of not more than \$10,000.00 and does not leave other property that requires the procurement of letters administration or letters testamentary under section 114 of Act No. 642 of the Public Acts of 1978, as amended, being §700.14 of the Michigan Compiled Laws, and known as the revised probate code, then the surviving husband or wife or heir in the order named in section 115 of Act No. 642 of the Public Acts of 1978, as amended, being §700.15 of the Michigan Compiled Laws, may apply for a certificate of manufactured home ownership. Before applying, the surviving husband or wife or heir shall provide the department proper proof of the death of the homeowner. The surviving husband or wife or heir shall also attach an affidavit to the proof of death that sets forth the fact that the prospective applicant is the surviving husband or wife or heir. Upon proper petition, the department shall furnish the applicant with a certificate of manufactured home ownership.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1414 Business practices; retailers acting as brokers; standard of conduct.

Rule 414. The standard of conduct with respect to the business practices of a retailer acting as a broker shall conform to that of a fiduciary to the seller of the home.

History: 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1415 Retailer; disclosures in purchase and listing agreements.

Rule 415. A retailer shall do both of the following:

- (a) Disclose in the purchase agreement that the home offered is located on a home site in a community and, if required, that the purchaser must obtain approval for the sale of the home on the home site in the community and approval for her or his tenancy in the community.
- (b) Disclose in the listing agreement the compensation to be received by the retailer upon closing.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1416 Retailer; disclosure of salespersons.

Rule 416. (1) At the time of initial application or renewal of a license, a retailer shall disclose the name of each salesperson. The disclosure shall be on a form prescribed by the commission.

(2) If a salesperson terminates employment or has his or her employment terminated by the retailer during the license year, then the retailer shall notify the department, in writing, within 30 days after termination.

(3) If a salesperson is hired during the license year, then the retailer shall notify the department, in writing, within 30 days after hiring.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1417 Retailer; supervision and control.

Rule 417. (1) It shall be a failure upon the part of a retailer to exercise supervision and control of an employee if the retailer has knowledge that a provision of the act or these rules pertaining to regulation of retailers is being violated by an employee and immediate action is not taken to correct the violation so as to insure compliance with the act or these rules.

(2) A retailer shall have the burden of proof to show compliance with this rule.

(3) Failure to comply with this rule may, after opportunity for hearing, result in a license denial, revocation, or suspension.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1418 Certificate of manufactured home ownership transfer; power of attorney.

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Rule 418. (1) The department may accept an executed power of attorney by a seller of a pre-owned home in place of the homeowner's signature on the current certificate of manufactured home ownership for transfer of the certificate.

(2) The power of attorney shall be attached to the existing certificate.

(3) The execution of the power of attorney shall be required only when the certificate is held by a person other than the homeowner and the retailer is the entity effecting a payoff to the certificate holder.

(4) The power of attorney shall be executed on a form provided by the department.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1419 Certificate of origin; addendum to application for certificate of manufactured home ownership.

Rule 419. (1) The certificate of origin shall be attached as an addendum to the application for a certificate of manufactured home ownership when filing for an original certificate of manufactured home ownership.

(2) For the purpose of complying with subrule (1) of this rule, the certificate of origin shall be immediately surrendered by the lender holding such certificate to the retailer upon request.

History: 1998 MR 7, Eff. July 16, 1998.

PART 5. INSTALLER AND REPAIRER BUSINESS PRACTICES

R 125.1501 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1502 Advertising.

Rule 502. (1) Advertising by an installer and servicer shall not misrepresent facts.

(2) An installer and servicer shall not advertise the term "authorized factory service" or "authorized manufacturer's service representative" or similar terms if the installer and servicer does not have the express written manufacturer's authorization.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998 .

R 125.1503 Place of business.

Rule 503. An installer and servicer shall maintain a place of business that is an actual, physically established location from which it can and does conduct business. A place of business shall have accounts and records available for inspection by a representative of the department during normal business hours. A post office box, secretarial service, telephone answering service, or similar entity is not an actual, physically established location.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1504 Work orders; estimates; warranties; abandonment.

Rule 504. (1) All installation and service of a home shall be executed under a work order. The conditions set forth in a work order may vary according to type of work required and desired specifications, but at a minimum shall include the specific work to be performed and itemized costs based on information available at the time the work order is executed. The work order may be used for separate cost estimates or as a receipt for customer deposits. All conditions of the installation or service shall be included in the work order.

(2) All estimates for installation and service of a home shall be executed under a work order.

(3) Changes in a work order shall not be made by an installer and servicer without the express consent of the customer. Verbal consent shall be noted on the work order.

(4) If, for any reason, an installer and servicer intends to abandon a work order, it shall notify each customer for which it has outstanding obligations under the conditions of the work order of the exact reason for

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abandonment. Notice shall be in writing and by certified mail. Abandonment of a work order by an installer and servicer includes, but is not limited to, the following acts or omissions:

- (a) Failure to start and complete work according to the conditions of the work order, unless the express written consent of the customer is given.
- (b) Failure to request, within 7 days after the work order has been executed, the necessary permits to perform the work agreed upon in the work order, unless the express written consent of the customer is given.
- (c) Failure to maintain the schedule of performance agreed upon in the work order without good cause, unless the express written consent of the customer is given.
- (5) As used in this part, "work order" means an express written agreement in which a person agrees to install or service the home and includes the permanent identification license number assigned by the department.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1505 Retention of documents.

Rule 505. All of the following documents shall be retained by an installer and servicer for 4 years:

- (a) Accounts and records required by local ordinances, other laws, and these rules.
- (b) A copy of each work order with attachments.
- (c) A copy of each written complaint.

History: 1954 ACS 96, Eff. July 26, 1978; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1506 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1507 Voluntary termination; retention of accounts and records.

Rule 507. (1) An installer and servicer may voluntarily terminate after notifying all of the following entities of its intent to terminate and the proposed date of termination:

- (a) The department.
- (b) Each customer to which it has outstanding obligations pursuant to the conditions of a work order and warranty, if given.
- (c) Each manufacturer of a new home for which it is an authorized agent.
- (d) Each insurance company with which it is doing business.

Notice shall be by certified mail.

(2) A terminated installer and servicer shall retain all accounts and records prescribed by these rules for 4 years after the date of termination.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1508 Unlawful practices.

Rule 508. (1) Without the express written consent of a customer, an installer and servicer shall not install or service a home or a part, option, accessory, or item of standard equipment of a home that, to the best of its knowledge, will result in an alteration or substitution to the manufacturer's installation, construction, and performance standard in effect at the time of manufacture. The customer's consent shall be attached to the work order.

(2) If a customer desires installation or service that alters or substitutes the manufacturer's standard, then the engaged installer and servicer shall notify the customer, on a form prescribed by the commission, by certified mail or personal delivery, that, to the best of its knowledge, the desired installation or service alters or substitutes the manufacturer's standard and that the alteration or substitution may void the manufacturer's warranty.

(3) An installer and servicer shall not do any of the following:

- (a) Divert money or other security that is received for the prosecution or completion of an installation or service, or both, of a home or a part, option, accessory, or item of equipment of a home under the conditions of the work order.
- (b) Fail to account for or remit money in the installer and servicer's possession that belongs to others.

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- (c) Willfully depart from or disregard plans, specifications, or the conditions set forth in the work order without the written consent of the customer.
 - (d) Willfully violate or disregard the building laws, codes, and ordinances of the state or a political subdivision of the state, including failing to obtain the permits that are required for the installation or service, or both, of a home.
 - (e) Make a misrepresentation or a false promise that is likely to influence, persuade, or induce.
 - (f) If requested by a lender for the disbursement of funds, fail to furnish a customer's signed completion certificate executed upon completion of the installation or service performed under the conditions of the work order.
 - (g) Fail to deliver to a customer the entire executed work order, including itemized costs of materials and other changes arising out of, or incidental to, the work order for the installation or service, or both, of a home.
 - (h) Aid or abet an unlicensed person to evade the provisions of the act or rules promulgated under the act; knowingly combine or conspire with, or be acting as agent, partner, or associate for, an unlicensed person; allow one's license to be used by an unlicensed person; or be acting as, or be an apparent licensed installer and servicer for, an undisclosed persons who does or will control or direct, or who may have the right to control or direct, directly or indirectly, the business operations or performance, or both, of the licensee.
- History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

PART 6. MOBILE HOME INSTALLATION

R 125.1601 Definitions.

Rule 601. As used in this part:

- (a) "Anchoring equipment" means straps, cables, turnbuckles, chains, including tension devices, or other securing devices that are used with ties to secure a home to ground anchors.
- (b) "Anchoring system" means a combination of ties, anchoring equipment, and ground anchors that will, when properly installed, resist the movement of an implaced home caused by wind forces.
- (c) "Cap" means a 2-inch or more solid concrete block, a 2-inch or less solid pressure-treated wood or hardwood block that resists decay, or a ¼-inch or more solid steel plate that is placed on top of the pier. The dimensions of the cap shall be the same width and length of the pier.
- (d) "Factory installed" means any construction or installation of any integral part of a home at the site of manufacture or at the site of installation and includes the following:
 - (i) Water supply hookup from the water riser to the water supply inlet.
 - (ii) Sewer system hookup from the sewer riser to the drain or drains outlet.
 - (iii) Fuel supply systems hookup from the service supply connection to the fuel supply inlet.
 - (iv) Electrical supply line from the main service line to the home service entry if the connection is a simple plug-in and does not require direct wiring or exceeds a service of 50 amps.
- (e) "Foundation footing" means that part of the support system that lies directly on the ground or below the surface of the ground and on which the piers are placed. When a foundation footing is below the surface of the ground, it shall be 16 inches or more in diameter and 42 inches deep. The foundation footing may be less than a 42-inch depth if supported by a soils analysis.
- (f) "Ground anchor" means any device designed to transfer the home anchoring loads to the ground or foundation.
- (g) "Installation" means the process of setting a home, including its non-permanently affixed steps, skirting, and anchoring systems, on a foundation footing. The term includes all of the following if under a signed work order:
 - (i) Leveling.
 - (ii) Stabilizing, if required.
 - (iii) Connecting utilities under subdivision (d) of this rule.
- (h) "Pier" means the vertical portion of the home support system between the foundation footing and the home frame, exclusive of caps, plates, and shims.

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(i) “Shim” means a tapered hardwood wedge which has a maximum thickness of 1 inch, which is a minimum of 3 inches wide and 6 inches long, and which, when driven in tightly in pairs between the cap or plate and the home frame I-beams, performs as a lending and stabilizing device.

(j) “Stabilizing system” means a combination of properly installed anchoring and support systems.

(k) “Support system” means a combination of foundation footings, piers, caps, plates, and shims that will, when properly installed, support a home.

(l) “Tie” means a strap, cable, or a securing device that is used to connect a home to ground anchors.

History: 1954 ACS 96, Eff. July 26, 1978; 1954 ACS 98, Eff. Feb. 28, 1979; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1602 Installation.

Rule 602. (1) For all new homes brought into or sold in Michigan, the manufacturer shall provide express written instructions for the installation of each home specifying the location and required design load capacity of the piers and the location and the required design load capacity of any other recommended stabilizing systems, if required. All homes shall be installed according to the manufacturer's installation instructions. The person installing a home has the option of installing a plastic vapor barrier on the ground under the home, unless the manufacturer's installation instructions specifically mandate the placement of the vapor barrier. Crossbeaming shall not be allowed under a home installed after the effective date of this rule unless approved by the manufacturer of the home. In the case of a pre-owned home, the approval also may be given by a professional engineer.

(2) In the absence of the manufacturer's installation instructions, the installation of homes shall be in compliance with specifications prepared by a professional engineer or, if a professional engineer is not available, in compliance with all of the following specifications:

(a) All grass shall be removed and the foundation footing shall be installed on or in stable soil.

(b) Piers shall be installed directly under each main frame beam, unless crossbeamed after approval from the manufacturer of the home or a professional engineer.

(c) Piers shall be placed on not more than 10-foot centers along the length of each main frame beam. If the piers interfere with the axle area, then they may be placed to a maximum of 13-foot centers, but the pier placement shall not be less in number than if placed on 10-foot centers.

(d) Crossover heat ducts shall not lie on the ground. Heat duct strapping shall not restrict the opening.

(e) Piers shall be installed under the center beam/marriage line of multisectional homes at all interior openings of more than 4 feet on the marriage wall and at each end of the marriage line. The piers shall be placed on a compatible foundation footing.

(f) The piers nearest each end of the home shall be within 2 feet of either end of the home frame.

(g) Piers shall be constructed of solid concrete or cored concrete blocks, unless other cored concrete blocks are supplied by the customer, or shall be constructed using any other acceptable design and construction commonly used within the home industry.

(h) Concrete block piers shall be constructed of regular 8-inch by 8-inch by 16-inch blocks and placed on the foundation footing. The blocks shall be placed with the open cells vertical. A cap shall be placed on top of the pier. A wood plate that has the same dimensions as the pier and cap may be placed on top of the cap for additional leveling. Shims may be fitted and driven tight between the wood plate or cap and the main frame I-beam and shall not take up more than 1 inch of vertical height.

(g) Pier tiering shall be in compliance with all of the following requirements:

(i) Piers 30 inches in height or less may be single-tier construction composed of 8-inch by 8-inch by 16-inch open cell concrete blocks that conform to ASTM standard C 90-85. Blocks shall be capped with 2-inch by 8-inch by 16-inch hardwood or treated wood, with a solid concrete block cap, or with a ¼-inch solid steel plate. Blocks shall be set with the openings vertical.

(ii) Piers that are more than 30 inches in height shall be double-tier construction with blocks interlocked and capped with a 4-inch by 16-inch by 16-inch solid concrete cap.

(iii) The concrete blocks of double-tier piers that are more than 80 inches in height shall be filled with concrete and steel reinforcing rods.

(h) Piers shall be installed perpendicular to the main frame of the home and shall not be offset from the foundation footing.

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- (3) Solid concrete piers may be of cone or pyramid design with a minimum 16-inch base tapered to a minimum 9-inch top. Shimming shall be the same as for the concrete block pier.
- (4) A home shall not be placed in a designated floodway, as determined by the Michigan department of environmental quality.
- (5) A home that is sited within a floodplain shall have an anchoring system installed in compliance with R 125.1605 to R 125.1608.
- (6) All homes and accessories located in communities shall be in compliance with the spacing requirements set forth in R 125.1941, R 125.1944, AND R 125.1947a.
- History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1979 ACS 12, Eff. Oct. 21, 1982; 1979 ACS 14, Eff. Apr. 5, 1983; 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.1602a Installation; systems compatibility.

Rule 602a. All components used in the installation of a home, such as foundation footings and piers, shall be uniform in construction and shall be compatible with any existing system that may be installed on the home site.

History: 1979 ACS 2, Eff. May 2, 1980; 1998 MR 7, Eff. July 16, 1998.

R 125.1603 Utility hookups.

Rule 603. All utility hookups to a home shall be in compliance with the following minimum standards:

- (a) Water: Each home shall be connected to the service outlet by semirigid tubing, such as copper tubing or approved plastic piping. The minimum size shall be ½ of an inch inside diameter or 5/8 of an inch outside diameter. An easily accessible, hand-manipulated shutoff valve shall be installed on the water supply inlet to the home. A water supply protection device, such as a heat tape, which is approved to be sold or for use in this state by the state construction code commission and which is designed for use with homes shall be installed at the time the home is installed on a home site to prevent service lines, valves, and riser pipes from freezing. The water service riser shall be insulated and covered to prevent the loss of heat. If an extension cord is used, it shall be listed by underwriters laboratories or by a similar organization and shall be approved for exterior use. The protection device shall be installed in compliance with the manufacturer's specifications as approved by the state construction code commission. It is the responsibility of the resident to provide protection for the water line from 1 inch beyond the underside of the home to 30 inches below the surface of the ground within the water crock or to the bottom of the crock, whichever is less.
- (b) Home fuel supply systems shall be in compliance with all of the following provisions:
- (i) Furnaces, hot water heaters, appliances, or any item of equipment that uses gas shall be fully compatible with the type of gas used. All fuel-burning appliances, except ranges, ovens, illuminating appliances, clothes dryers, solid fuel-burning fireplaces, and solid fuel-burning fireplace stoves, shall be installed to provide for the complete separation of the combustion system from the interior atmosphere of the home. Combustion air inlets and flue gas outlets shall be listed or certified as components of the appliance. The required separation may be obtained by installing direct vent system (sealed combustion system) appliances or by installing appliances within enclosures so as to separate the appliance combustion system and venting system from the interior atmosphere of the home and ensuring that there is no door, removable access panel, or other opening into the enclosure from the inside of the home and that any opening for ducts, piping, wiring, or similar items is sealed. This paragraph applies to the installation of the systems specified in this paragraph in new and pre-owned homes.
- (ii) An easily accessible, approved, hand-manipulated shutoff valve controlling the flow of gas to the entire gas piping system shall be installed as close as possible to the service meter or supply connection of the liquefied petroleum gas container. Approved piping that has a ½-inch or more inside diameter shall be used for any gas line. After the home is connected to the service meter or supply connection, the piping system shall be tested to not less than 10 inches nor more than 14 inches of water column (1/2 psi). An appliance connection shall be tested for leakage with soapy water or bubble solution.
- (iii) A fuel supply system other than gas shall be in compliance with state and local codes and ordinances.
- (iv) Fuel supply meters, regulators, shutoff valves, and pedestals shall not be located under a home or within a skirted area.

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(v) Natural gas, liquefied petroleum gas (LPG), and fuel oil piping that connects the home to the service pedestal or tank shall be installed underground if the distance between the pedestal or tank and the home is more than 2 feet.

(c) Drain: Schedule 40 ABS or PVC plastic pipe that has the same diameter as the drain outlet shall be installed from the home outlet to the home site sewer service riser. The drain line shall be supported at not less than 4-foot intervals. Plumber's strapping shall be used for support where possible. All joints shall be sealed to preclude leaks. There shall be an approved seal at the sewer riser. All drain lines shall have a cleanout installed within 2 feet of each drain outlet.

(d) The electrical supply line from the service line to the home shall be completed in a safe and workmanlike manner. If the calculated load is more than 50 amperes or if a permanent feeder is used, then the supply shall be connected by a person who is licensed under the provisions of Act No. 217 of the Public Acts of 1956, as amended, being §338.881 et seq. of the Michigan Compiled Laws, and known as the electrical administrative act.

(e) Electrical meters and pedestals shall not be located under a home or within a skirted area.

(f) A power supply cord or permanent feeder line shall not be installed so as to lie on the surface of the ground or permit the cord or line to hang over the home. For all homes installed before July 17, 1985, the power supply cord or permanent feeder line shall not be suspended less than 7 feet from the ground above designated pedestrian walkways. For all homes installed on or after July 17, 1985, if the distance between the electrical pedestal and the home is 2 feet or more, then the power supply cord or permanent feeder line shall be placed underground according to state and local codes.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1979 ACS 12, Eff. Oct. 21, 1982; 1985 MR 6, Eff. July 17, 1985; 1990 MR 1, Eff. Feb. 3, 1990; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1604 Skirting.

Rule 604. (1) Home skirting shall be vented in accordance with the manufacturer's installation instructions. In the absence of instructions, louvered or similar vents shall have a minimum of 600 square inches of open space per 1,000 square feet of living space. A minimum of 1 vent shall be placed at the front and rear of the home and 2 at each exposed side. Access panels of sufficient size to allow full access to utility hookups located beneath the home shall be installed. Skirting, if any, shall be an exterior building material.

(2) Skirting shall be installed in a manner so as to resist damage under normal weather conditions, including damage caused by freezing and frost, wind, snow, and rain.

(3) A local government may require the installation of skirting without obtaining the commission's approval, under section 7 of the act, if the requirement is established by ordinance and the ordinance is in compliance with the requirements of this rule.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1604a Compliance responsibility.

Rule 604a. A community is responsible for ensuring compliance with the spacing requirements in R 125.1941, R 125.1944, and R 125.1947a(3) for the installation of homes within the community. A community may file a complaint under the act and these rules against a retailer or installer and servicer who installs a home that is not in compliance with the requirements of these rules.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1604b Workmanship.

Rule 604b. All work associated with the installation of a home shall be performed according to acceptable industry standards.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.1605 Anchoring systems.

Rule 605. (1) A home anchoring system that is sold or manufactured or installed within this state shall be in compliance with all of the following provisions:

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(a) Be designed and constructed in compliance with the United States department of housing and urban development standards entitled "Manufactured Home Construction and Safety Standards," which are adopted by

reference in these rules. Copies of the standards may be obtained at no cost from the Superintendent of Documents, United States Government Printing Office, Washington, DC 20402, or from the Department of Consumer and Industry Services, Corporation, Securities and Land Development Bureau, Manufactured Housing Division, P.O. Box 30222, Lansing, Michigan 48909.

(b) Be installed in compliance with its manufacturer's specifications.

(c) Be approved to be sold and for use within this state by the state construction code commission.

(2) An anchoring system that is sold in this state shall be certified, in writing, by its manufacturer as meeting the standards required by these rules.

(3) An anchoring system manufacturer shall furnish, and ship with each approved anchor system, information pertaining to the type or types of soil the system has been tested and certified to be installed in and instructions as to the method of installation and the periodic maintenance required.

(4) The model number shall be permanently marked on each anchor system.

(5) A local government may require the installation of anchoring systems without obtaining the commission's approval under section 7 of the act if the requirement is established by ordinance and the ordinance is in compliance with the requirements of this rule and R 125.1602.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 12, Eff. Oct. 21, 1982; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1606 Anchoring systems; request for approval; exhibits.

Rule 606. (1) To obtain approval to sell a home anchoring system in this state, each system's manufacturer shall, in letter form, submit a request for approval to the state construction code commission.

(2) The following exhibits shall be attached to the request for an approval letter:

(a) Detailed drawings of each type of anchor system. The drawings shall provide all of the following information:

(i) Brand name.

(ii) Name and address of manufacturer.

(iii) Model identification.

(iv) All dimensions.

(v) Type and location of welds or fastenings.

(vi) Type of materials.

(vii) Tie method.

(viii) Ground anchor method.

Each drawing shall bear the seal of an engineer who is registered in the state of the anchor system's manufacturer or who is registered in the state of Michigan.

(b) Certified test results that were conducted by an accredited independent testing laboratory or engineering firm. The test results shall provide all of the following information:

(i) Model tested as described in the engineering drawings.

(ii) Method of installation.

(iii) Date of installation.

(iv) Date of test or tests.

(v) Type of test or tests.

(vi) Date and type of field test.

(vii) Soil profile description or descriptions in which tests were conducted.

(viii) Test equipment used.

(ix) Ground anchor used.

(x) Pounds of force exerted and resultant uplift of the anchor system.

(xi) Failure point of the anchor system.

(xii) A copy of the installation and periodic maintenance instructions that shall be provided with each model.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

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R 125.1607 Anchoring systems; changes in design, construction, and materials.

Rule 607. Changes in design, construction, and materials used in an approved anchoring system shall not be made. If changes are made to an approved anchoring system by the manufacturer, then the revised anchoring system shall be resubmitted to the state construction code commission for approval under R 125.1606.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1608 Anchoring system; approval or disapproval to be sold and for installation; notice.

Rule 608. Within 90 days after receipt of the request for approval from the manufacturer of the anchoring system, the state construction code commission may approve or disapprove the system to be sold and for installation in this state. The manufacturer shall be notified, by certified mail, of the action taken and a copy shall be filed with the department.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1609

Source: 1997 AACs.

R 125.1610 Heat tape; approval to be sold or for use.

Rule 610. Heat tape, also known as heating cable, shall not be sold or installed for use on a home by a person licensed under the act, unless the heat tape is approved to be sold or for use in this state by the state construction code commission under Act No. 230 of the Public Acts of 1972, as amended, being §125.1501 et seq. of the Michigan Compiled Laws, and known as the state construction code act, and Act No. 129 of the Public Acts of 1994, being §125.2501 of the Michigan Compiled Laws, and known as the heating cable safety act.

History: 1998 MR 7, Eff. July 16, 1998.

PART 7. MOBILE HOME PARK SAFETY RULES

R 125.1701 Speed limits; traffic signs; internal road signs.

Rule 701. (1) Speed limits on community internal roads shall not exceed 15 miles per hour, shall be posted, and shall be enforced under Act No. 300 of the Public Acts of 1949, as amended, being §257.1 et seq. of the Michigan Compiled Laws, an act that regulates speed limits.

(2) All internal roads may be clearly marked with appropriate traffic signs, except that all community egress roads shall be clearly marked with a regulation stop sign at the point of intersection with a public road.

(3) Internal roads shall be named and so identified by signs located at all internal road intersections.

(4) Signs bearing the words "Children Playing" shall be appropriately located on all internal roads adjacent to recreational and playground areas.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.1702 Swimming pools.

Rule 702. Swimming pools shall be in compliance with Act No. 368 of the Public Acts of 1978, as amended, being §333.1101 et seq. of the Michigan Compiled Laws, and known as the public health code, and R 325.2111 to R 325.2198 of the Michigan Administrative Code.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1702a Fire safety.

Rule 702a. The community management shall notify each resident, upon occupancy, of all of the following:

(a) The home site shall be kept free of fire hazards, including combustible materials under the home.

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(b) If fire hydrants are available within the community, then vehicular parking on internal roads is prohibited within 10 feet of a hydrant. © Each home site shall be numbered and clearly marked for positive identification. Each number shall be easily readable from the road servicing the home site.

(d) Act No. 133 of the Public Acts of 1974, being §125.771 et seq. of the Michigan Compiled Laws, which provides for home fire protection, requires that all homes manufactured, sold, or brought into this state shall be equipped with at least 1 fire extinguisher approved by the national fire protection association and 1 smoke detector approved by the state construction code commission. The homeowner of a home brought into this state for use as a dwelling shall have 90 days to comply with this subdivision. Notification shall be in writing and may be through community rules.

History: 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1703 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1704 Emergency telephone numbers.

Rule 704. Immediately upon occupancy, the community shall provide each resident with a list containing, but not limited to, all of the following information:

(a) The telephone number of the servicing fire fighting agency.

(b) The telephone number of the servicing law enforcement agency.

(c) The telephone number of the community office, including the normal business hours and emergency telephone number where a representative of the community can be reached after normal business hours. When an answering service is used, an individual shall be available to respond to emergencies.

History: 1954 ACS 96, Eff. July 26, 1978; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1705 Playgrounds and recreational and athletic areas.

Rule 705.(1) Each playground and recreational and athletic area shall be kept free of safety hazards.

(2) Playground equipment shall be inspected for defects by the community or its authorized representative once each calendar month when the playground equipment is in use. All defective equipment shall be removed, rendered unusable, or repaired immediately.

(3) A written record of the inspection shall be maintained at the community office. The record shall contain, but is not limited to, the date of inspection for each item of equipment, defects noted, if any, date corrected, and the name of the individual performing the inspection. These records shall be maintained in accordance with the rules pertaining to community accounts and records.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1706 Severe weather warning; shelters.

Rule 706. Immediately upon occupancy, the community shall provide each community resident with written information indicating whether the local government provides a severe weather warning system or designated shelters and, if provided, describing the system and giving the nearest shelter location.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1707 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1708 Electrical maintenance.

Rule 708.(1) The community shall keep every building or structure or part thereof and any part of the community-owned electrical system in good repair.

(2) The community shall maintain yard lights that are part of the community lighting system unless otherwise disclosed in the community rules.

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(3) Any part of the community electrical system that may present a real or potential safety hazard shall be immediately disconnected and repaired in compliance with the Michigan electrical code, being R 408.30801 to R 408.30873, or shall be condemned so as to protect against injury or loss of life.

(4) The homeowner shall ensure that the electrical power supply cord or permanent feeder line from the home to the pedestal is kept in good repair and in a serviceable condition. If a power supply cord is used, it shall be approved for home use.

(5) Upon a determination of an electrical problem, the community shall, if the electrical system is community-owned, disconnect the home from the electrical pedestal on individually metered home sites. If direct billing by the servicing utility company is made, then the utility company shall disconnect the home's electrical service.

(6) A power supply cord or permanent feeder line shall not be installed so as to lie on the surface of the ground or permit the cord or line to hang over the home. For all homes installed before July 17, 1985, the power supply cord or permanent feeder line shall not be suspended less than 7 feet from the ground above designated pedestrian walkways. For all homes installed on or after July 17, 1985, if the distance between the electrical pedestal and the home is 2 feet or more, then the power supply cord or permanent feeder line shall be placed underground according to state and local codes.

History: 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1709 Maintaining community internal roads, walkways, driveways, and permanent foundations.

Rule 709. (1) The community does not have to maintain its internal roads, walkways, driveways, and permanent foundations free of cracks, but the community shall maintain its internal roads, walkways, driveways, and permanent foundations in a sound condition reasonably free of all of the following:

- (a) Holes.
- (b) Upheavals.
- (c) Buckling.
- (d) Depressions.
- (e) Rutting or channeling of the wearing surface.
- (f) Shifting of the driving or walking surface or foundation base and subbase.
- (g) Improper grading.

(2) The community shall maintain all of its internal roads serving licensed and occupied home sites in a passable condition.

History: 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1710 Utility service disconnect.

Rule 710. (1) Disconnected fuel service lines shall be locked off or plugged so as to prevent leakage.

(2) Disconnected electrical service lines shall be removed from the home site and the home site pedestal circuit breaker master switch shall be placed in the off position. If a fuse system is installed, then the master fuse shall be removed. The protective cover of the circuit breaker or fuse box shall be secured.

History: 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

PART 8. MOBILE HOME PARK LICENSING

R 125.1801 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1802 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1803 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

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R 125.1804 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1805 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1806

Source: 1997 AACS.

R 125.1807 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1808 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1809 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1810 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1811 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1812 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; 1985 MR 6, Eff. July 17, 1985; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1813 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1814 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1815 Rescinded.

History: 1954 ACS 96, Eff. July 26, 1978; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1816 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1817 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1818 Rescinded.

History: 1979 ACS 12, Eff. Oct. 21, 1982; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

PART 9. MOBILE HOME PARK CONSTRUCTION

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R 125.1901 Definitions.

Rule 901. As used in this part:

- (a) "Access point" means the intersection of the main community entrance or entrances with a public thoroughfare.
- (b) "Building envelope" means that part of the home site specifically designated for the placement of a home.
- (c) "Hard surface" means any surfacing method approved by the department that results in a satisfactory walking or driving surface.
- (d) "Ingress and egress road" means the internal road that connects a public road with the remainder of the internal road system of a community.
- (e) "Meter" means a nationally recognized and approved device that measures the quantity of water, electricity, natural gas, liquefied petroleum gas, or fuel oil used.
- (f) "Parking bay" means any area in which more than 2 parking spaces are provided other than on a home site.
- (g) "Plans approval and permit to construct" means a department order upon approval of an application for a plans approval and permit to construct permits the construction of a community or home condominium, permits a licensed community or existing home condominium to add home sites, or approves the as-built plans of a licensed community for subsequent conversion to a home condominium. The order also permits the construction within the community or condominium of optional improvements, but does not relieve the developer or owner from the responsibility of obtaining the required permits under other statutes or regulations pertaining to the optional improvement to be constructed. The order does not relieve the developer or owner from obtaining electrical and plumbing permits or, if required, fuel system permits.
- (h) "Public thoroughfare" means a public road that provides access to a community.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1902

Source: 1997 AACs.

R 125.1902a Home condominium; application; conversion of existing community to home condominium.

Rule 902a. (1) Under section 127 of Act No. 59 of the Public Acts of 1978, as amended, being §559.227 of the Michigan Compiled Laws, and known as the condominium act, an application for the construction of a home condominium project shall be submitted to the department by the developer.

(2) The application for the construction of a new home condominium or the expansion of an existing home condominium shall be filed under R 125.1905.

(3) An applicant applying for approval of construction plans and a permit to construct for the conversion of a community to a home condominium with expansion shall file the application according to R 125.1905.

(4) An existing community that does not meet the standards of construction set forth in this part and R 325.3311 et seq. of the Michigan Administrative Code may be converted to a home condominium if it is brought into compliance with the standards under a plans approval and permit to construct or if a variance is approved by the commission under R 125.1948.

History: 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.1903 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1904 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1904a Preliminary plan; disapproval.

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Rule 904a. (1) A municipality, county road commission, county drain commissioner, or local health department shall not disapprove a preliminary plan, as defined in section 11(1) of the act, based on a local standard that is higher than the standards contained in these rules, unless the higher standards are approved by the commission under the provisions of section 7 of the act and R 125.1120.

(2) If the preliminary plan is disapproved by the agencies listed in subrule (1) of this rule based on a local standard which is higher than the standards contained in these rules and which has not been approved by the director, then the developer may petition the commission for review of the disapproval under R 125.1130. If the commission finds that the local standards are in conflict with the standards contained in these rules, then the developer may substitute the commission's finding for the disapproval of the agencies listed in subrule (1) of this rule under sections 4(1)© and (d), 7, and 11 of the act.

History: 1979 ACS 2, Eff. May 2, 1980; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1905 Plans approval and permit to construct; application for approval; issuance of approval or intent to deny; validity; transferability

Rule 905. (1) The department shall not issue a plans approval and permit to construct until all of the following are received from the developer and are approved by the department:

(a) One copy of the community construction plans and specifications under R 125.1906 to R 125.1910.

(b) The fee as specified in R 125.1315.

(c) On a form prescribed by the department, an application and required exhibits completely and accurately filled out and executed.

(2) All of the following exhibits shall be submitted with the application:

(a) Copies of all existing and proposed easements or dedications, if any. If easements or dedications do not exist, then the developer shall submit a statement to that effect with the application.

(b) A soils analysis, which shall be provided by a professional engineer, shall state that the soils are sufficiently stable so as to support the home and the permanent foundation.

(c) Evidence of title to the property, such as title insurance, a deed, a land contract, an owner's affidavit, or, if the property is not owned by the developer, the owner's affidavit attesting to ownership and the granting of permission to develop the community project. If the developer has an option to purchase the property or is leasing the property, then the developer shall submit a copy of the purchase option or leasing agreement. (3) Before the department issues a plans approval and permit to construct, the Michigan department of environmental quality shall issue to the department a construction plan approval pertaining to the public health aspects of the construction under sections 6(1) and 11(7) of the act, including all of the following approvals:

(a) Approvals of the local health department, county road commission, county drain commissioner, and municipality or an affidavit from the developer which states that the statutory time limit of 60 days, under section 11(5) of the act, has expired without the unit of local government taking the appropriate action.

(b) Approval from the department of environmental quality, if needed, under Act No. 451 of the Public Acts of 1994, being §324.101 et seq. of the Michigan Compiled Laws, and known as the natural resources and environmental protection act, if the project lies in a floodplain.

(c) Approval from the department of environmental quality, if needed, under Act No. 203 of the Public Acts of 1979, being §281.701 et seq. of the Michigan Compiled Laws, and known as the Goemaere-Anderson wetland protection act, if the project lies in a wetlands area.

(4) The department shall issue a plans approval and permit to construct or intent to deny order within 90 days after receipt of a complete application. The application shall be in compliance with the requirements in subrules (1), (2), (3), and (5) of this rule.

(5) The application shall be notarized.

(6) A plans approval and permit to construct shall be valid for 5 years after the date of the issuance and may, upon application, review of the previously approved construction plans for compliance with these rules, and approval of the application, be renewed by the department if the last renewal does not expire more than 10 years after the initial plan's approval and permit to construct was issued.

(7) A plans approval and permit to construct is not transferable unless the transfer is approved by the department.

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(8) The department shall maintain the plans approval and permit to construct and a copy of the approved plans and specifications as a permanent record. A copy of the approved plans and specifications shall be at the construction site or readily available during construction.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1906 Construction plans; drawings; preparation and contents.

Rule 906. An architect or engineer who is licensed to practice in this state shall prepare the drawings that constitute the plans. More than 1 architect or engineer licensed in this state may prepare different segments of the same community construction plans. Submissions for review shall be 24-inch by 36-inch reproductions of original drawings. Each sheet shall contain the name of the community and the name and address of the firm responsible for the preparation of the sheet. Each sheet shall bear a seal and signature of the individual responsible for the preparation of the sheet.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1907 Construction plans; preparation requirements.

Rule 907. When preparing community construction plans, the architect or engineer shall comply with all of the following provisions:

- (a) A scale shall be used in preparing the drawings.
- (b) Each sheet shall be numbered and the total number of sheets in the set shall be shown.
- (c) All prints of plans submitted for review shall be free of unnecessary background and shall be legible for photo reduction.
- (d) The scale of each drawing shall be depicted on each sheet, where applicable.
- (e) All sheets shall be dated.
- (f) The name of the community shall be shown on each sheet.
- (g) Match lines shall be used when the survey plan, site plan, or floor plans are shown on more than 1 sheet.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1908 Construction plans; contents.

Rule 908. (1) A complete set of community construction plans shall include specifications and working drawings. The documents shall show the design, location, dimensions, materials, quality of materials, and workmanship standards necessary to construct the proposed community as related to internal road construction, utilities construction, home site construction, density, layout, open spaces, and other improvements to protect the health, safety, and welfare of community residents. Recreational facilities and any optional improvements shall be included in the plans. Specific plans shall include all of the following information:

- (a) A cover sheet that contains all of the following:
 - (i) The name and location of the community.
 - (ii) A comprehensive sheet index.
 - (iii) List of abbreviations.
 - (iv) Schedule of symbols.
- (b) A site plan that shows all of the following:
 - (i) The location of all structures, sidewalks, internal roads, parking, and public road frontage.
 - (ii) Proposed contours and related earthwork information to show how the site is to be graded.
 - (iii) Whether of benefit or burden, the dimensions and identity of all existing and proposed easements and encroachments.
 - (iv) A boundary survey of the property and legal description performed by a land surveyor who is registered in this state.
 - (v) A survey bench mark shown by symbol and described with its elevation referenced to an official bench mark of the national geodetic survey or the United States geological survey, which are based on the national geodetic vertical datum of 1929.

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- (vi) Identification of all contiguous properties or waterways. (vii) On the first page of the plans, a location map of the project depicting its relationship to the surrounding area.
- (viii) If the community lies within or abuts a 100-year floodplain, floodplain data showing the 100-year contour line to the point where it intersects with the boundaries of the community or its limits, whichever is greater. If a floodplain area exists, it shall be clearly labeled with the words "floodplain area." A home building envelope shall not be placed at an elevation below 1 foot above the 100-year contour line. (ix) If an expansion to an existing community, the dividing line between the expansion and existing community and the distances between the dividing line and any homes to be sited along the dividing line.
- (c) A typical home site at an enlarged scale that shows all of the following:
- (i) Foundation construction.
 - (ii) Required distances from other structures under R 125.1941.
 - (iii) Details and location of sewer and water connections.
 - (iv) Details and location of the utility pedestal.
 - (v) Home site parking and other improvements.
 - (vi) Details showing that subsurface gas distribution lines will not be located under the home and that electric lines will not pass over the home.
- (d) Except in a seasonal community, a community lighting plan showing the location of all light fixtures and a detail of the fixture to be installed, including a note indicating compliance with the illumination requirements under R 125.1929. In a seasonal community, a community lighting plan showing the location of all light fixtures, if provided, and a detail of the fixture to be installed.
- (e) The remainder of the plans required may be floor plans, sections and elevations, and related details as required to sufficiently describe the construction of the community.
- (2) Where appropriate, plans may be combined if legibility is not impaired.
- History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1909 Construction plans; identifying home sites and optional improvements.

Rule 909. Individual home sites and optional improvements shall be identified as follows:

- (a) Each home site within a community shall be numbered consecutively starting with the number 1. If a community is an existing community, then the numbers shall be continuous, with no duplication.
 - (b) Other than the home sites, each structure or optional improvement shall be identified by its title.
- History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1910 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1911

Source: 1997 AACS.

R 125.1912 Filing changes in plans with department; notice of approval or disapproval.

Rule 912. A developer shall file 1 copy of bulletins, addendums, or shop drawings depicting changes with the department for approval before any physical changes are made. The department shall notify the developer of approval or disapproval within 20 days after receipt of the change. After approval, the developer shall file 6 copies of the bulletins, addendums, or shop drawings depicting changes with the department.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1913 Filing affidavit certifying completion with department; submission of as-built plans and specifications to department.

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Rule 913. (1) A developer shall prepare as-built plans for water, sewer, and storm drainage for all community construction projects. The developer shall file the plans with the department upon completion of the entire construction project.

(2) The as-built plans and specifications shall be an update of the original documents depicting all approved changes. Each sheet of the plans shall be labeled "As-Built Plans," shall be dated, and any notations referencing the project as "proposed" shall be removed.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1914

Source: 1997 AACs.

R 125.1915

Source: 1997 AACs.

R 125.1916 Facilitating review of application for plans approval and permit to construct.

Rule 916. To facilitate the review of the application for plans approval and permit to construct, the department may require the developer to submit engineering reports, site reports, topographic and other maps, and other data.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.1917 Construction reports, tests, and other data; availability to department.

Rule 917. All reports, tests, or other data used to determine construction suitability or structural stability shall be available to the department or its authorized representative upon request.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC.

R 125.1918 Field inspections.

Rule 918. The department or its authorized representative may make field inspections it deems necessary for an accurate evaluation and review of the community before, during, or after construction to ensure compliance with these rules and the approved plans.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1919

Source: 1997 AACs.

R 125.1920 Internal roads; general requirements; local conditions.

Rule 920. (1) An internal road is subject to approval by the department and shall be in compliance with all of the following general requirements:

(a) The internal road shall have a hard surface.

(b) The internal road shall have access to a public thoroughfare or shall be connected to a public thoroughfare by a permanent easement. The easement shall be recorded before an internal road is approved by the department. Sole access by way of an alley is prohibited. As used in this subdivision, "alley" means a public or private right-of-way that serves and is dedicated as rear access to a parcel or parcels of land.

(c) An internal road that has no exit at one end shall terminate with an adequate turning area. Parking shall not be permitted within the turning area.

(d) An adequate safe-sight distance shall be provided at intersections.

(e) An offset at an intersection or an intersection of more than 2 internal roads is prohibited.

(f) The following types of internal roads shall have driving surfaces that are not less than the following widths:

| | |
|--------------------------|---------|
| (i) One-way, no parking | 13 feet |
| (ii) Two-way, no parking | 21 feet |

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| | |
|---|---------|
| (iii) One-way, parallel parking, 1 side | 23 feet |
| (iv) One-way, parallel parking, 2 sides | 33 feet |
| (v) Two-way, parallel parking, 1 side | 31 feet |
| (vi) Two-way, parallel parking, 2 sides | 41 feet |

(2) All entrances to new or expanded communities that have 300 home sites or more shall be a minimum of 30 feet in width. The entrance shall consist of an ingress lane and a left and right egress turning lane at the point of intersection between a public road and the community's internal road and shall be constructed as follows:

(a) All turning lanes shall be a minimum of 10 feet in width and 60 feet in depth measured from the edge of the pavement of the public road into the community.

(b) The turning lane system shall be tapered into the community internal road system commencing at a minimum depth of 60 feet.

(c) The ingress and right egress turning lanes of the ingress and egress road shall connect to the public road with a curved line that has a minimum radius of 15 feet. The intersection of the public road and ingress and egress road shall not have squared corners.

(d) Alternative designs that provide for adequate ingress and egress shall be approved by the department.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1921

Source: 1997 AACs.

R 125.1922 Internal roads; construction materials.

Rule 922. (1) An internal road shall be constructed of concrete, bituminous asphalt, or compacted road gravel and materials suitable for subgrades and hard surface in compliance with the standards of the American association of state highway and transportation officials (AASHTO). (2) The community developer may use other suitable materials of equal quality if approved by the department.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1923 Internal roads; curbing.

Rule 923. A developer may install curbing on all internal roads. If curbing is used, it shall be constructed of concrete or asphalt.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1924 Driveways.

Rule 924. Improved hard surface driveways shall be provided on the site where necessary for convenient access to service entrances of buildings; to delivery and collection points for fuel, refuse, and other materials; and elsewhere as needed. The minimum width shall be 10 feet. The entrance shall have the flare or radii, and horizontal alignment for safe and convenient ingress and egress.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC.

R 125.1925 Resident vehicle parking.

Rule 925. (1) All home sites shall be provided with 2 parking spaces.

(2) If vehicle parking is provided on the home site, it shall be in compliance with both of the following provisions:

(a) The parking spaces may be either in tandem or side by side. If spaces are in tandem, then the width shall not be less than 10 feet and the combined length shall not be less than 40 feet. If spaces are side by side, then the combined width of the 2 parking spaces shall not be less than 19 feet and the length shall be 20 feet. In either method, the length shall be measured from the curb or inner walkway edge.

(b) A parking space shall be hard-surfaced.

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(3) If vehicle parking is provided off the home site, then the parking spaces shall be adjacent to the home site and shall be in compliance with R 125.1926(5) and (6).

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1998 MR 7, Eff. July 16, 1998.

R 125.1926 Additional parking facilities.

Rule 926. (1) A minimum of 1 parking space for every 3 home sites shall be provided for visitor parking. Visitor parking shall be located within 500 feet of the home sites the parking is intended to serve. The parking shall be measured along a road or sidewalk.

(2) If parking bays are provided, they shall contain individual spaces that have a clear parking width of 10 feet and a clear length of 20 feet.

(3) If parking facilities are provided off the home site in bays and at office or other facilities, then they shall be in compliance with R 408.30427.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1927 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 8, 1998.

R 125.1928 Sidewalks.

Rule 928. If a developer provides sidewalks, then the sidewalks shall be designed, constructed, and maintained for safe and convenient movement from all home sites to principal destinations within the community and connection to the public sidewalks outside the community. A sidewalk system shall be in compliance with both of the following requirements:

(a) If constructed, sidewalks shall have a minimum width of 3 feet and shall be constructed in compliance with Act No. 8 of the Public Acts of 1973, being §125.1361 et seq. of the Michigan Compiled Laws, an act which regulates sidewalks for handicappers.

(b) Except in a seasonal community, an individual sidewalk shall be constructed between at least 1 entrance, or patio, porch, or deck if provided, and the parking spaces on the home site or parking bay, whichever is provided, or common sidewalk, if provided.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1929 Vehicular and sidewalk systems; illumination levels.

Rule 929. Except in a seasonal community, all vehicular and sidewalk systems within a community shall be illuminated as follows:

(a) Access points shall be lighted. If the public thoroughfare is lighted, then the illuminated level shall not be more than the average illumination level of an adjacent illuminated thoroughfare.

(b) At all internal road intersections and designated pedestrian crosswalks, the minimum illumination shall be not less than .15 footcandles.

(c) Internal roads, parking bays, and sidewalks shall be illuminated at not less than .05 footcandles.

(d) If a community directory is provided, then it shall be illuminated at not less than 3.15 horizontal footcandles on any entry on the directory.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1930

Source: 1997 AACS.

R 125.1931 Proof of compliance with rules.

Rule 931. A community shall show proof of compliance with these rules upon request of the department or its authorized representative.

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History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1932 Community electrical system.

Rule 932. A community electrical system shall, at a minimum, be designed, installed, operated, and maintained in compliance with the rules entitled "Electrical Lines and Equipment," being R 460.811 to R 460.815 and according to the construction, installation, and safety standards of the servicing public service company. A community is responsible for installing the electrical system up to and including the meter and its disconnect in new or existing communities. In addition, all of the following provisions shall be complied with:

- (a) Primary and secondary distribution lines shall be installed underground.
- (b) The system shall be designed to provide, at a minimum, 100 amp service according to applicable standards.
- (c) A home site shall have an approved individual weatherproof meter installed. A community master meter shall not be used.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1933 Electrical system.

Rule 933. A home site shall have an approved easily accessible electrical systems circuit breaker or fuse system installed. The circuit breaker or fuse system shall be located at the pedestal and shall be installed by a licensed electrician.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.1934 Community natural gas system.

Rule 934. The design, installation, operation, and maintenance of a community natural gas system shall, at a minimum, be in compliance with the rules entitled "Gas Safety Code," being R 460.14001 to R 460.14999, the rules entitled "Technical Standards for Gas Service," being R 460.2301 to R 460.2384, and the construction, installation, and safety standards of the servicing public utility company. A community is responsible for installing the natural gas system up to and including the meter and its disconnect in new or existing communities. In addition, all of the following provisions shall be complied with:

- (a) Gas piping shall not be installed under a home building envelope or home, except for the piping required to connect the home to the servicing pedestal.
- (b) A home site shall be equipped with an approved weatherproof gas regulator and individual meter. The regulator and meter shall not be located under the home when it is placed on the home site. A community master meter shall not be used.
- (c) A home site shall have an approved gas shutoff valve installed upstream of the home site gas outlet and located on the inlet riser not less than 4 inches above the ground. The valve shall not be located under a home.
- (d) The minimum hourly volume of gas required at each point shall be designed according to applicable standards and the manufacturer's standard for the appliance or appliances served.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.1935 Community centralized liquefied petroleum gas (LPG) system.

Rule 935. If provided, a centralized community liquefied petroleum gas (LPG) system shall be designed, installed, operated, and maintained according to the rules entitled "Liquefied Petroleum Gases," being R 29.3801 to R 29.3858 and R 460.14051. A community is responsible for installing the liquefied petroleum gas system up to and including the meter and its disconnect in new or existing communities. In addition to R 29.3801 to R 29.3858 and R 460.14051, both of the following provisions shall be complied with:

- (a) A home site shall have an approved liquefied petroleum gas meter installed.
- (b) The minimum hourly volume of liquefied petroleum gas required at each point in the system shall be calculated according to applicable standards and the manufacturer's standard for the appliance or appliances to be served.

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History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1936 Individual home liquefied petroleum gas (LPG) system.

Rule 936. If individual home liquefied petroleum gas systems are permitted, then the installation, operation, and maintenance shall be in compliance with the system's and home manufacturer's installation standard and the rules entitled "Liquefied Petroleum Gases," being R 29.3801 to R 29.3858.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1937 Community centralized fuel oil systems; installation after effective date of rule prohibited.

Rule 937. Community centralized fuel oil systems shall not be installed after the effective date of this rule.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1938 Home site meter calibration.

Rule 938. A home site meter connected to a centralized community electric and fuel service system shall be calibrated upon installation and shall thereafter be calibrated by an independent calibrating company according to the servicing utility company's standard.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1990 MR 1, Eff. Feb. 2, 1990; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1939 Rescinded.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.1940 Television, telephone, and certain heating systems; compliance with state or local standards and ordinances.

Rule 940. (1) If central television antenna systems, cable television, or other similar services are provided, then the distribution systems shall be underground and shall be constructed and installed according to state and local standards and ordinances.

(2) Telephone systems shall be installed underground and shall be in compliance with state and local standards and ordinances. If state and local standards and ordinances do not exist, then the system shall be installed according to the construction, installation, and safety standards established by the servicing telephone company.

(3) If a heating system other than natural gas, liquefied petroleum gas (LPG), or fuel oil is used, then the system shall be in compliance with state or local standards and ordinances.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998.

R 125.1940a Water system meters.

Rule 940a. (1) Water meter installation shall be in compliance with R 325.3321 and shall be approved by the Michigan department of environmental quality.

(2) All water meters shall be in compliance with the requirements of American water works association standards C700-95 entitled "Cold Water Meters - Displacement Type" (the cost at the time of adoption of these rules is \$23.00); C708-96 entitled "Cold Water Meters - Multijet Type" (the cost at the time of adoption of these rules is \$23.00); and C710-95 entitled "Cold Water Meters - Displacement Type Plastic Main Case" (the cost at the time of adoption of these rules is \$23.00). These standards are adopted in these rules by reference and may be obtained from the American Water Works Association, 6666 West Quincy Avenue, Denver, Colorado 80235. History: 1990 MR 1, Eff. Feb. 2, 1990; 1998 MR 7, Eff. July 16, 1998.

R 125.1941 Required distances between homes and other structures. Rule 941. (1) A home shall be in compliance with all of the following minimum distances, as measured from the wall/support line or foundation line, whichever provides the greater distance:

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- (a) For a home not sited parallel to an internal road, 20 feet from any part of an attached structure of an adjacent home that is used for living purposes.
 - (b) For a home sited parallel to an internal road, 15 feet from any part of an attached structure of an adjacent home that is used for living purposes if the adjacent home is sited next to the home on the same internal road or an intersecting internal road.
 - (c) Ten feet from either of the following:
 - (i) A parking space on an adjacent home site.
 - (ii) An attached or detached structure or accessory of an adjacent home that is not used for living purposes.
 - (d) Fifty feet from permanent community-owned structures, such as either of the following:
 - (i) Clubhouses.
 - (ii) Maintenance and storage facilities.
 - (e) One hundred feet from a baseball or softball field.
 - (f) Twenty-five feet from the fence of a swimming pool.
 - (g) Attached or detached structures or accessories that are not used for living space shall be a minimum distance of 10 feet from an adjacent home or its adjacent attached or detached structures.
 - (2) Any part of an accessory, such as steps, porches, supported or unsupported awnings, decks, carports or garages, or similar structures, shall be set back the following minimum distances:
 - (a) Ten feet from the edge of an internal road.
 - (b) Seven feet from a parking bay off a home site.
 - (c) Seven feet from a common sidewalk.
 - (d) Twenty-five feet from a natural or man-made lake or waterway.
 - (3) A carport shall be in compliance with both of the following setbacks if it is completely open, at a minimum, on the 2 long sides and the entrance side:
 - (a) Support pillars that are installed adjacent to the edge of an internal road shall be set back 4 feet or more from the edge of the internal road or 2 feet or more from the edge of a sidewalk.
 - (b) Roof overhang shall be set back 2 feet or more from the edge of the internal road.
 - (4) Steps and their attachments shall not encroach into parking areas more than 3 ½ feet.
 - (5) The length of a home site may vary depending on community design and layout and the home to be installed; however, the minimum standards pertaining to the distance between homes shall be complied with.
 - (6) The dividing line between an existing community and an expansion of the community shall be treated as a property line for the purpose of siting homes adjacent to the dividing line.
 - (7) The parts of this rule that went into effect on February 1, 1991, do not apply to communities licensed before February 1, 1991, or to proposed new communities, or existing communities that wish to expand, and that filed an application for a permit to construct before February 1, 1991.
 - (8) Home site boundary lines are not recognized by these rules.
- History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1942 Layout.

Rule 942. The layout of a community, including other facilities intended for resident use, shall be in accordance with acceptable planning and engineering practices and shall provide for the convenience, health, safety, and welfare of the residents.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1943 Home site construction.

Rule 943. A permanent foundation shall be installed on a home site.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1944 Setbacks from property boundary lines.

Rule 944. (1) Homes, permanent buildings and facilities, and other structures shall not be located closer than 10 feet from the property boundary line of the community or home condominium and shall not be

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required by a local ordinance, unless approved by the commission, to be more than 10 feet from the property boundary line.

(2) If homes, permanent buildings and facilities, and other structures abut a public right-of-way, then they shall not be located closer than 50 feet from the boundary line. If the boundary line runs through the center of the public road, then the 50 feet shall be measured from the road right-of-way line. In addition, the homes, permanent buildings and facilities, and other structures shall not be required by a local ordinance to be more than 50 feet from the boundary line, unless the commission approves the ordinance. This rule does not apply to roads dedicated for public use.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.1945 Screening; fencing.

Rule 945. The developer of a community or home condominium may completely or partially screen the community or condominium by installing fencing or natural growth along the entire property boundary line, including the line abutting a public thoroughfare, except at access points.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.1946 Designated open space requirements.

Rule 946. A community or home condominium that contains 50 or more home sites which are constructed according to a permit to construct issued under the act shall have not less than 2% of the community's gross acreage dedicated to designated open space, but not less than 25,000 square feet.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.1947 Optional improvements.

Rule 947. (1) Optional improvements shall be considered as fulfilling part or all of the total designated open space requirement.

(2) Optional improvements shall be in compliance with current state or local building standards pertinent to construction, including the obtaining of the appropriate state or local permits pertinent to the facility or structure being constructed.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.1947a Communities constructed pursuant to previous acts or local ordinances, or both.

Rule 947a. (1) A community which was licensed under the construction standards of previous acts and for which the license was legally issued and valid at the time these rules take effect is not required to fulfill all the requirements pertaining to community construction in these rules. However, at a minimum, all existing communities shall comply with all of the following provisions:

(a) A community shall be adequately lighted during darkness.

(b) If individual home site meters are installed, then the installation shall be according to R 125.1932, R 125.1934, and R 125.1935.

(c) Meters that are owned by the community shall be calibrated according to R 125.1938.

(2) An existing community licensed under the act or previous acts that expands shall conform to all the requirements pertaining to community construction in these rules for all expansions.

(3) An existing community licensed under the act or previous acts and constructed according to the standards in previous acts or local ordinances, or both, shall be maintained in a condition consistent with the standards.

(4) In communities issued a permit to construct before February 28, 1979, enclosed structures attached to homes are deemed to be obstructions in the 10-foot side yard space. All other structures or vegetation is not deemed to be an obstruction if there is a 4-foot wide ground level pathway which is obstruction free to 7 feet in height and which runs the length of the side yard with access to the road.

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History: 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.1948 Variances; procedure.

Rule 948. (1) The commission may delegate its authority under section 18(5) of the act to the department to enter into agreements with community developers, owners, operators, or authorized agents for the purpose of granting a variance to the community design and construction rules promulgated by the director.

(2) An applicant may file a request with the department for a specific variance if the specific requirement would cause an exceptional practical difficulty.

(3) An applicant shall file with the municipal clerk's office, all residents on home sites immediately adjacent to the place for which a variance is being requested, and the Michigan department of environmental quality, if the variance is to or would impact on public health regulations, a notice of the request at the time the request is filed with the department. A complete request that contains all of the information specified in this subrule shall be filed before the department considers the request under subrule (1) of this rule or not less than 30 days before any commission meeting at which it is to be considered. The request shall be in writing and shall include, but is not limited to, all of the following information:

(a) The specific identification of the rule requirement by rule number, paragraph, and subparagraph, if needed.

(b) Specific reason or reasons for the variance.

(c) A statement describing why the condition caused by the requirement is not so general or recurring that consideration should be given to amend the rules as the most practical means to rectify the difficulty.

(d) A statement describing the difficulty encountered if the specific requirement of the rule was literally applied.

(e) A statement describing the difficulty encountered in ensuring the protection of the health, safety, and welfare of community residents if the specific requirement of the act or these rules was literally applied, if applicable.

(f) If the variance is being requested for a specific home site, then all of the following information shall be provided:

(i) When the home site and all adjacent home sites were built.

(ii) When the home on the home site and all adjacent homes were installed.

(iii) The location of the hitch and all outside doors of the home on the home site.

(iv) The distance between the home on the home site and all adjacent homes, structures, sidewalks, internal roads, and community boundaries. The distance information shall be accompanied by an affidavit signed by the community owner or operator verifying the accuracy of all measurements.

(g) Any other specific information and data pertinent to justification for the specific variance.

(4) The applicant or an authorized representative of the applicant shall attend any commission meeting at which a variance request will be considered and be prepared to explain the request.

(5) A municipality, a resident, or a representative of the department of environmental quality, as described in subrule (3) of this rule, may submit comments relative to the request verbally at the commission meeting at which the variance will be considered or in writing. Any submitted comments shall be considered by the commission or the department in approving or denying the request.

(6) If a community developer, owner, or operator or a local government is aggrieved by a decision of the department under subrule (1) of this rule, then the aggrieved party shall have the right to petition the commission for a hearing under Act No. 306 of the Public Acts of 1969, as amended, being §24.201 et seq. of the Michigan Compiled Laws, and known as the administrative procedures act.

(9) This rule does not apply to a request for a variance to a local ordinance, zoning requirement, or local rules which may be granted only by local government under section 18(4) of the act.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.1949 "Repair and maintenance" defined; existing communities; construction; permit to construct; general repair and maintenance; exemption.

Rule 949. (1) "Repair and maintenance," for the purpose of this rule, means projects such as, but not limited to, the following:

(a) Repairing internal roads.

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- (b) Replacing existing lighting fixtures and illumination elements.
 - (c) Replacing, repairing, or maintaining existing sewer lines, drain lines, water mains, utility lines, and appurtenances.
 - (d) Repairing and maintaining existing home sites, buildings, or grounds.
 - (2) Existing communities that are licensed under the act are exempt from filing an application with the department for a permit to construct for general repair and maintenance-type construction projects if the projects do not add to, subtract from, or alter, the standards of the approved master community plans and specifications under which the community was originally constructed.
 - (3) Subrule (1) of this rule does not exempt the community from obtaining any permits, approvals, or inspections required by other laws, rules, or local ordinances applicable to a repair and maintenance project.
- History: 1979 ACS 2, Eff. May 2, 1980; 1998 MR 7, Eff. July 16, 1998.

R 125.1950 Existing communities; construction; permit to construct; alterations.

Rule 950. (1) An application for a permit to construct shall be filed with the department for all construction projects that alter an existing community in any manner from the community construction plans and specifications approved under the act, previous Act No. 143 of the Public Acts of 1934, as amended, being §125.751 et seq. of the Michigan Compiled Laws, and known as the trailer coach park act, or Act No. 243 of the Public Acts of 1959, as amended, being §125.1001 et seq. of the Michigan Compiled Laws, and known as the mobile home park act. Alteration projects include, but are not limited to, upgrading, installing, completely reconstructing, extending, or removing utility service systems, community lighting systems, or internal roads.

- (2) The department shall not issue a permit to construct until all of the following are received:
 - (a) From the applicant, and as approved by the department, all of the following items:
 - (i) Construction plans and specifications.
 - (ii) On a form prescribed by the department, an application completely and accurately filled out and executed.
 - (iii) The fee as specified in R 125.1315(6).
 - (b) From the department of environmental quality, the following approvals:
 - (i) Approvals of the local health department, county drain commissioner, county road commission, and municipality, if appropriate.
 - (ii) Approval by the department of environmental quality for matters pertaining to water supply, sewage collection and disposal, drainage, garbage and rubbish storage and disposal, and insect and rodent control.
- (3) An application shall be executed in the presence of a witness and shall be notarized.
- (4) An application shall not be considered complete until all items referred to in subrules (2) and (3) of this rule have been received. This rule does not exempt the community from inspection requirements that are required by other laws, rules, or local ordinances as they apply to the specific project.
- (5) The department shall issue a permit to construct or an intent to deny order within 45 days after receipt of a complete application.

History: 1979 ACS 2, Eff. May 2, 1980; 1998 MR 7, Eff. July 16, 1998.

PART 10. MOBILE HOME PARK BUSINESS PRACTICES

R 125.2001 Definitions.

Rule 1001. (1) As used in this part:

- (a) “Community rules” means a written document promulgated by the community which regulates all of the following and which includes the informational and disclosure items specified in R 125.2006:
 - (i) Yard maintenance.
 - (ii) Automobiles.
 - (iii) Children.
 - (iv) Pets.
 - (v) Guests.
 - (vi) Garbage and rubbish disposal.
 - (vii) Rental payments.

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(viii) Other conditions of tenancy.

(b) "Inventory checklist" means the identical written form used at the commencement and termination of tenancy that records the condition of all items on the home site which are owned by the community, including, but not limited to all of the following:

(i) Building envelopes.

(ii) Utility hookups.

(iii) Patios.

(iv) Driveways.

(v) Parking spaces.

(vi) Sewer connections.

(c) "Lease" means a written agreement for the use, possession, and occupancy of a home site or home, or both, which contains all conditions of tenancy and which may include the community rules and regulations.

(d) "Rent" means any consideration paid by a resident for the right to use, possess, and occupy a home site or home, or both, and other facilities made available to the resident by the community.

(e) "Security deposit" means a deposit, in any amount, paid by the resident to the landlord or its agent to be held for the term of the rental agreement, or any part thereof. "Security deposit" includes any of the following:

(i) Any required prepayment of rent other than the first full rental period of the lease.

(ii) Any sum required to be paid as rent in any rental period in excess of the average rent for the term.

(iii) Any other amount of money or property that is returnable to the resident on the condition of return of the rental unit by the resident in the condition required by the rental agreement.

"Security deposit" does not include an amount paid for an option to purchase under a lease with an option to purchase, unless it is shown that the intent was to evade the act.

(f) "Specific tax" means the tax levied upon a home under Act No. 243 of the Public Acts of 1959, being §125.1041 et seq. of the Michigan Compiled Laws, and known as the mobile home park act.

(2) As used in section 28 of the act:

(a) "Entrance fee" means a fee charged by a community as a condition precedent to the right to reside in the community. The term does not include any of the following:

(i) Security deposits.

(ii) Fees and taxes charged by a unit of government, except for fees and taxes to be paid by the community that are related to capital improvements.

(iii) Deposits for service charged by public utilities.

(iv) Utility charges billed directly to the resident by the community.

(v) Rent.

(vi) Actual cost of a credit report, if one is obtained.

(vii) Nonrefundable cleaning fee as allowed by law.

(viii) A community requirement that a current or prospective resident, a retailer, or an installer and servicer pay for changing the electrical service provided to the home from the electrical pedestal disconnect box if the change is necessary to meet the national electrical code. The community requirement for payment shall be disclosed to the current or prospective resident, retailer, or installer and servicer before the resident, retailer, or installer and servicer commits to secure a home site.

(ix) A community-required payment for the part of a foundation system that is more than 66 feet in length for a single section home and 56 feet in length for a multiple section home. The home lengths may be altered annually by the commission through an interpretive statement. The community requirement for payment shall be disclosed to the current or prospective resident, retailer, or installer and servicer before the resident, retailer, or installer and servicer commits to secure a home site. This exemption applies to foundation systems on new home sites in communities whose applications for permits to construct were received after June 29, 1994.

(x) A community-required payment for the part of a foundation system in excess of that which exists on a previously occupied home site. The community requirement for payment shall be disclosed to the current or prospective resident, retailer, or installer and servicer before the resident, retailer, or installer and servicer commits to secure a home site.

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(xi) A community-required payment for a foundation system that is approved by the department for use in the community, but not provided by the community. The community requirement for payment shall be disclosed to the current or prospective resident, retailer, or installer and servicer before the resident, retailer, or installer and servicer commits to secure a home site.

(xii) Other fees as determined by the commission by declaratory ruling or interpretive statement.

(b) “Exit fee” means any fee charged by a community as a condition precedent to the right to terminate tenancy. This does not foreclose the right of the community to retain the security deposit under Act No. 348 of the Public Acts of 1972, being §554.601 et seq. of the Michigan Compiled Laws, and known as the landlord tenant act or security deposit act.

(c) “Television antenna” includes television satellite dishes.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1998 MR 7, Eff. July 16, 1998.

R 125.2002 Advertising restriction.

Rule 1002. A community shall not advertise that facilities or physical conditions, or both, exist if not true.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.2003 Means to assure completion of optional improvements.

Rule 1003. A community, or a part of a community on which construction of an optional improvement for resident use or convenience has not been completed, shall not be advertised unless the completion of the optional improvement is assured by substantial completion or the advertising discloses the promised date of completion, or both. If an optional improvement is not completed by the date promised, then the department may, after notice of opportunity for hearing, require an irrevocable bank letter of credit, bond, or similar undertaking that is acceptable to the department posted with a public authority or may require adequate reserves established and maintained in a trust or escrow account to ensure completion of the optional improvement. In determining adequacy of the account, the department shall be guided by the facts and circumstances of each individual case, but the account shall be in compliance with all of the following provisions:

(a) Funds shall be kept and maintained in a separate escrow account.

(b) The account shall be approved by the department and shall be established in a financial institution doing business in this state or in another state whose laws require the account to be maintained in that state.

(c) Monthly progress reports shall be furnished to the department by the community for a new project for the first 6 months and, in the department’s discretion, quarterly or semiannually after the first 6 months.

(d) The trust or escrow agreement shall state that its purpose is to protect the resident or prospective resident if the community fails to complete the construction of promised optional improvements. The trust or escrow agreement also shall authorize the department to inspect the records of the trustee relating the agreement.

(e) The department shall execute an acknowledgment on the face of each agreement. The acknowledgment indicates approval of the form and content of the agreements, but shall not be construed to make the department a party to the agreement.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

R 125.2004

Source: 1997 AACs.

R 125.2005 Leases; refusal; terms; security deposits; inventory checklists.

Rule 1005. (1) A written lease shall be offered for each home site at the beginning of tenancy. The lease offered shall conform to the procedures set forth in Act No. 348 of the Public Acts of 1972, being §554.601 et seq. of the Michigan Compiled Laws, and known as the landlord tenant act or security deposit act, and Act No. 454 of the Public Acts of 1978, as amended, being §554.631 et seq. of the Michigan Compiled Laws, and known as the truth in renting act.

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(2) If a resident refuses the lease offered at the beginning of tenancy, then the community shall require a written statement of refusal. The refusal shall not be construed as a waiver of any of the resident's rights as guaranteed by law.

(3) A community shall not charge a premium for a lease.

(4) If a community requires a resident or prospective resident to prove ownership of a newly acquired home as a condition of siting the home in the community, then the resident or prospective resident may satisfy the requirement by providing a photocopy of a validated signed application for a certificate of manufactured home ownership.

(5) A community may allow a retailer, consumer, or lending institution to pay rent on a home site in the community well in advance of placing a home on the home site if the action does not result in a closed community. The home site that is rented is considered to be unavailable for rental to another retailer, consumer, or lending institution.

(6) A community may allow a retailer, consumer, or lending institution to place a home on a home site before the sale of the home. The home site upon which the home is placed is considered to be unavailable for the placement of another home.

(7) A community shall provide its permission for a sale in the community and on the home site and its acceptance of a prospective purchaser as a resident in writing, if requested.

(8) A security deposit received by a community shall be maintained according to the procedures in Act No. 348 of the Public Acts of 1972, being §554.601 et seq. of the Michigan Compiled Laws, and known as the landlord tenant act or security deposit act.

(9) If a community requires a security deposit, then the community shall utilize an inventory checklist at the beginning and termination of the tenancy to determine damages. The procedure set forth in Act No. 348 of the Public Acts of 1972, being §554.601 et seq. of the Michigan Compiled Laws, and known as the landlord tenant act or security deposit act, shall be complied with.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.2005a Buyer's and resident's handbook.

Rule 1005a. Community rules shall contain a notice of the availability of the manufactured home buyer's and resident's handbook. Before May 3, 1991, the community shall also notify all existing residents, in writing, of the availability of the handbook through either the community office or the manufactured housing division. The department will furnish all licensed communities with sufficient copies of the handbook to meet the requirement of this rule.

History: 1991 MR 1, Eff. Feb. 1, 1991; 1998 MR 7, Eff. July 16, 1998.

R 125.2006 Community rules; provision of community rules to prospective and existing residents; community rule changes; inspections; rent charges.

Rule 1006. (1) The community shall provide each prospective and existing resident with a copy of the community rules. The resident shall execute a written receipt for the community rules.

(2) The community shall provide proposed changes to the community rules to each resident not less than 30 days before the date on which the changes become effective.

(3) The standards in the written community rules referenced in section 28a(1)(b) of the act apply only to residents who want to sell their homes in the community.

(4) Community rules which require tires and axles to be present if a home is to be sold in the community, which regulate the size, number, and/or placement of "For Sale" signs, or which require home reinspection and an accompanying fee more than 60 days after the home's previous inspection do not violate section 28a of the act.

(5) Community rules that prohibit "For Sale" signs or require a home to meet a construction standard other than that to which it was built in order to be sold in the community violate section 28a of the act. (6) The community shall post, in a conspicuous place in the community office, a detailed list of current rent ranges and a detailed list of any other charges that are added to the base rent which establish the monthly rental amount that a resident is to pay.

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(7) A community rent structure shall be in compliance with sections 502 and 503 of Act No. 453 of the Public Acts of 1976, as amended, being §§37.2502 and 37.2503 of the Michigan Compiled Laws, and known as the Michigan civil rights act.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1979 ACS 12, Eff. Oct. 21, 1982; 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.2006a Water meter installation disclosure.

Rule 1006a. If a community decides to convert its master water metering to individual site metering, then the community shall notify each resident, in writing, not less than 30 days before the meter reading that determines the starting point to be used for calculation of the resident's first bill for individual metering. The disclosure shall include, but not be limited to, all of the following items:

- (a) The water and sewer rate per thousand gallons.
- (b) All additional charges.
- (c) Minimum fees.
- (d) Shutoff procedures.
- (e) Installation procedures, including a guarantee that the heat tape will function during the first winter after installation.
- (f) Payment procedures, including the billing period and due dates and a requirement that bills include beginning and ending meter readings and total usage.
- (g) Rate change procedures.
- (h) A list of items, such as heat tape, which the community furnishes, owns, and maintains and which the resident furnishes, owns, and maintains.

The information shall be included in the community rules.

History: 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1998 MR M7, Eff. July 16, 1998.

R 125.2006b Resident-provided utility service.

Rule 1006b. If a community resident provides any utility service that results in common community use, such as community lighting, and the resident is directly charged for the service by a public or community-owned utility, then the community shall disclose the charge to all affected residents.

History: 1998 MR 7, Eff. July 16, 1998.

R 125.2007 Accounts and records; maintenance; inspections; retention.

Rule 1007. (1) In addition to other accounts and records required by law, the community shall maintain the following accounts and records at the community office or at a central office for 4 years:

- (a) A copy of the lease for each resident or a copy of the statement of refusal signed by the resident.
- (b) A copy of the inventory checklists for each resident.
- (c) A copy of the resident receipt for community rules.
- (d) A record of the rent receipts for each resident.
- (e) A record of all specific tax payments and receipts.
- (f) A copy of written complaints submitted by each resident.
- (g) If security deposits are required, a current and accurate record system of security deposits received and dispersed upon termination of tenancy for each home or home site, or both.
- (h) A current and accurate record of the community residents, which shall include all of the following information:
 - (i) Name of each resident and member of the resident's household, if applicable.
 - (ii) Home site number.
 - (iii) Date of tenancy.
 - (iv) Date of termination.

(2) All accounts and records that are required to be maintained by these rules shall be available for inspection by an authorized representative of the department during normal business hours.

(3) Unless otherwise provided for by law, these or other rules, or local ordinances that require a longer retention period, the following accounts and records shall be maintained for a period of 4 years after tenancy termination:

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- (a) A copy of the resident's most recent lease or rental agreement or the resident's lease refusal statement.
- (b) A copy of the final inventory checklist for each resident.
- (c) A copy of the resident's most recent receipt for community rules.
- (d) A resident's file.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1954 ACS 100, Eff. Sept. 5, 1979; 1979 AC; 1979 ACS 2, Eff. May 2, 1980; 1985 MR 6, Eff. July 17, 1985; 1998 MR 7, Eff. July 16, 1998.

R 125.2008

Source: 1997 AACS.

R 125.2009 Community owner or operator; prohibited practices.

Rule 1009. A community owner or operator shall not do any of the following:

- (a) Aid or abet an unlicensed person to evade the provisions of the act or these rules.
- (b) Knowingly combine or conspire with, or be acting as an agent, partner, or associate for an unlicensed person.
- (c) Allow one's license to be used by an unlicensed person.
- (d) Be acting as, or be an apparent licensed retailer for, an undisclosed person who does or will control or direct, or who may have the right to control or direct, directly or indirectly, the business operations or performance, or both, of the licensee.
- (e) Use age or size either separately or in combination as a sole basis for refusing to allow the sale of a home in the community and on the home site.

History: 1954 ACS 98, Eff. Feb. 28, 1979; 1979 AC; 1998 MR 7, Eff. July 16, 1998.

PART 11. SEASONAL MOBILE HOME PARKS

R 125.3001 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3002 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3003 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3004 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3005 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3006 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3007 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3008 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3009 Rescinded.

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History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3010 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3011 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3012 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3013 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3014 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3015

Source: 1997 AACs.

R 125.3016 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3017 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3018 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3019 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3020 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3021 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3022 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3023 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

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R 125.3024 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3025 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3026

Source: 1997 AACS.

R 125.3027 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3028 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3029 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1991 MR 1, Eff. Feb. 1, 1991.

R 125.3030 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3031 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3032 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3033

Source: 1997 AACS.

R 125.3034 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3035

Source: 1997 AACS.

R 125.3036 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3037 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3038 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

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R 125.3039 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3042 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3043 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3044 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3045 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3046 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3047 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3048 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3049 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3050 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1990 MR 1, Eff. Feb. 2, 1990; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3051 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3051a Rescinded.

History: 1990 MR 1, Eff. Feb. 2, 1990; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3052 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3053 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3054 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3055 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

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R 125.3056 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3057 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.3058 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.3059 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1999 MR 11, Eff. Nov. 17, 1999.

R 125.3060 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3061 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; 1991 MR 1, Eff. Feb. 1, 1991; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3062 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3063 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3064

Source: 1997 AACs.

R 125.3065 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3066 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3067 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3068 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

R 125.3069 Rescinded.

History: 1984 MR 6, Eff. June 30, 1984; rescinded 1998 MR 7, Eff. July 16, 1998.

DEPARTMENT OF TREASURY
REVENUE DIVISION
TOBACCO PRODUCTS TAX
EMERGENCY RULES

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MUNICIPAL FINANCE COMMISSION

BONDS

R 132.1

Source: 1997 AACS.

HEARINGS

R 132.101—R 132.107

Source: 1997 AACS.

MUNICIPAL FINANCE DIVISION

GENERAL RULES

PART 1. GENERAL PROVISIONS

R 132.1101

Source: 1986 AACS.

R 132.1102

Source: 1986 AACS.

R 132.1103

Source: 1986 AACS.

R 132.1104

Source: 1986 AACS.

R 132.1105

Source: 1986 AACS.

R 132.1106

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R 132.1107

Source: 1986 AACS.

R 132.1108

Source: 1986 AACS.

R 132.1109

Source: 1986 AACS.

R 132.1110

Source: 1986 AACS.

R 132.1111

Source: 1986 AACS.

R 132.1112

Source: 1986 AACS.

R 132.1113

Source: 1986 AACS.

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R 132.1114
Source: 1986 AACS.

R 132.1115
Source: 1986 AACS.

R 132.1116
Source: 1986 AACS.

R 132.1117
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R 132.1118
Source: 1986 AACS.

R 132.1119
Source: 1986 AACS.

R 132.1120
Source: 1986 AACS.

R 132.1121
Source: 1986 AACS.

R 132.1122
Source: 1986 AACS.

R 132.1123
Source: 1986 AACS.

R 132.1124
Source: 1986 AACS.

R 132.1125
Source: 1986 AACS.

R 132.1126
Source: 1986 AACS.

PART 2. PRIOR APPROVAL EXCEPTIONS

R 132.1201
Source: 1986 AACS.

R 132.1202
Source: 1986 AACS.

R 132.1203
Source: 1986 AACS.

R 132.1204
Source: 1986 AACS.

R 132.1205
Source: 1986 AACS.

R 132.1206
Source: 1986 AACS.

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R 132.1207
Source: 1986 AACS.

R 132.1208
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R 132.1209
Source: 1986 AACS.

R 132.1210
Source: 1986 AACS.

R 132.1211
Source: 1986 AACS.

R 132.1212
Source: 1986 AACS.

R 132.1213
Source: 1986 AACS.

R 132.1214
Source: 1986 AACS.

R 132.1215
Source: 1986 AACS.

R 132.1216
Source: 1986 AACS.

R 132.1217
Source: 1986 AACS.

R 132.1218
Source: 1986 AACS.

R 132.1219
Source: 1986 AACS.

R 132.1220
Source: 1986 AACS.

PART 3. BOND APPLICATIONS—PRIOR APPROVAL

R 132.1301
Source: 1986 AACS.

R 132.1302
Source: 1986 AACS.

R 132.1303
Source: 1986 AACS.

R 132.1304
Source: 1986 AACS.

R 132.1305
Source: 1986 AACS.

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R 132.1306

Source: 1986 AACS.

R 132.1307

Source: 1986 AACS.

R 132.1308

Source: 1986 AACS.

PART 4. REFUNDING OBLIGATIONS—PRIOR APPROVAL

R 132.1401

Source: 1986 AACS.

R 132.1402

Source: 1986 AACS.

R 132.1403

Source: 1986 AACS.

R 132.1404

Source: 1986 AACS.

R 132.1405

Source: 1986 AACS.

PART 5. TAX ANTICIPATION NOTES—PRIOR APPROVAL

R 132.1501

Source: 1986 AACS.

R 132.1502

Source: 1986 AACS.

R 132.1503

Source: 1986 AACS.

R 132.1504

Source: 1986 AACS.

R 132.1505

Source: 1986 AACS.

R 132.1506

Source: 1986 AACS.

R 132.1507

Source: 1986 AACS.

R 132.1508

Source: 1986 AACS.

**PART 6. CONSOLIDATED TAX ANTICIPATION
NOTES—PRIOR APPROVAL**

R 132.1601

Source: 1986 AACS.

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R 132.1602
Source: 1986 AACS.

R 132.1603
Source: 1986 AACS.

R 132.1604
Source: 1986 AACS.

PART 7. DEBT RETIREMENT FUND TRANSFERS

R 132.1701
Source: 1986 AACS.

R 132.1702
Source: 1986 AACS.

R 132.1703
Source: 1986 AACS.

R 132.1704
Source: 1986 AACS.

R 132.1705
Source: 1986 AACS.

PART 8. HEARINGS AND RECONSIDERATION

R 132.1801
Source: 1986 AACS.

R 132.1802
Source: 1986 AACS.

R 132.1803
Source: 1986 AACS.

R 132.1804
Source: 1986 AACS.

R 132.1805
Source: 1986 AACS.

R 132.1806
Source: 1986 AACS.

R 132.1807
Source: 1986 AACS.

R 132.1808
Source: 1986 AACS.

R 132.1809
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R 132.1810
Source: 1986 AACS.

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R 132.1811

Source: 1986 AACS.

R 132.1812

Source: 1986 AACS.

R 132.1813

Source: 1986 AACS.

R 132.1814

Source: 1986 AACS.

R 132.1815

Source: 1986 AACS.

R 132.1816

Source: 1986 AACS.

**DEPARTMENT OF TREASURY
BUREAU OF REVENUE
CITY UTILITY USERS TAX
PART 1. GENERAL PROVISIONS**

R 141.1

Source: 1995 AACS.

R 141.2

Source: 1995 AACS.

**DEPARTMENT OF STATE
BOARD OF STATE CANVASSERS
PROCEDURES**

R 168.841

Source: 1997 AACS.

R 168.842

Source: 1997 AACS.

R 168.843

Source: 1997 AACS.

R 168.844

Source: 1997 AACS.

R 168.845

Source: 1997 AACS.

**DEPARTMENT OF STATE
BUREAU OF ELECTIONS
CAMPAIGN FINANCING**

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PART 1. GENERAL PROVISIONS

R 169.3
Source: 1982 AACS.

R 169.4
Source: 1982 AACS.

R 169.5
Source: 1982 AACS.

PART 2. COMMITTEES

R 169.22
Source: 1982 AACS.

R 169.23
Source: 1997 AACS.

R 169.25
Source: 1982 AACS.

R 169.28
Source: 1982 AACS.

R 169.29
Source: 1996 AACS.

R 169.29a
Source: 1996 AACS.

R 169.29b
Source: 1996 AACS.

R 169.29c
Source: 1996 AACS.

R 169.29d
Source: 1997 AACS.

PART 3. REPORTS, CONTRIBUTIONS, AND EXPENDITURES

R 169.32
Source: 1982 AACS.

R 169.34
Source: 1982 AACS.

R 169.35
Source: 1982 AACS.

R 169.35a
Source: 1982 AACS.

R 169.36
Source: 1982 AACS.

R 169.37
Source: 1982 AACS.

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R 169.38

Source: 1982 AACS.

R 169.39

Source: 1997 AACS.

R 169.39a

Source: 1982 AACS.

R 169.39b Expenditures for candidate advertisements.

Rule 39b. (1) Except as otherwise provided in this rule, an expenditure for a communication that uses the name or likeness of 1 or more specific candidates is subject to the prohibition on contributions and expenditures in section 54 of the act if the communication is broadcast or distributed within 45 calendar days before the date of an election in which the candidates name is eligible to appear on the ballot.

(2) This rule does not apply to any of the following:

(a) An expenditure for communication by a person with the persons paid members or stockholders and individuals who can be solicited for contributions to a separate segregated fund.

(b) An expenditure for nonpartisan voter registration or nonpartisan get-out-the-vote activities, including the production and distribution of voter guides, that is made by an organization that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 U.S.C. 501(c)(3) or any successor statute.

(c) An expenditure for communication by a qualified nonprofit corporation as defined in subrule (3) of this rule.

(3) A nonprofit corporation shall be considered a qualified nonprofit corporation for the purposes of this rule if all of the following conditions are met:

(a) The corporation's only express purpose is the promotion of political ideas, including issue advocacy, election influence activity, and research, training, or educational activity that is expressly tied to the corporation's political goals.

(b) The corporation does not engage in business activities.

(c) The corporation does not have shareholders or other persons, other than employees and creditors who do not have an ownership interest, affiliated with the corporation in any way that could allow the shareholders or other persons to make a claim on the corporation's assets or earnings.

(d) The corporation does not offer or provide to any person a benefit that is a disincentive for the person to disassociate from the corporation on the basis of the corporation's position on a political issue. A benefit includes, but is not limited to, the following:

(i) Credit cards, insurance policies, or savings plans.

(ii) Training, education, or business information, other than that which is necessary to enable the recipient to engage in the promotion of the corporation's political beliefs.

(e) The corporation was not established by, or affiliated with, a business corporation, joint stock company, domestic dependent sovereign, or labor organization. If the corporation is unable, for good cause, to demonstrate that this requirement is satisfied, then the corporation shall have a written policy against accepting donations from business corporations, joint stock companies, domestic dependent sovereigns, or labor organizations.

(f) The corporation is registered under section 501(c)(4) of the internal revenue code of 1986, 26 U.S.C. 501(c)(4).

History: 1998 MR 8, Eff. Aug. 12, 1998.

R 169.39c Affirmative consent; effectiveness.

Rule 39c. The affirmative consent required by section 55(6) of the act shall be effective only through December 31 of the year for which it is given.

History: 1998 MR 11, Eff. Dec. 10, 1998.

R 169.39d Affirmative consent; form.

Rule 39d. (1) The affirmative consent required by section 55(6) of the act shall be given in writing and

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shall include, at a minimum, all of the following:

(a) A notice, which shall read as follows:

Affirmative Consent to Political Contributions

Section 55(6) of the Michigan Campaign Finance Act provides that a corporation, a joint stock company, a domestic dependent sovereign, or a labor organization "may solicit or obtain contributions for a separate segregated fund established under this section from an individual described in subsection (2), (3), (4), or (5) on automatic basis, including but not limited to a payroll deduction plan, only if the individual who is contributing to the fund affirmatively consents to the contribution at least once in every calendar year."

(b) The contributor's first, middle, and last names.

(c) The amount of money to be withheld from the contributor's wages or the percentage of the contributor's wages to be withheld.

(d) The frequency with which the withholding is to be accomplished. The withholding may be per day period, per week, per month, or per year.

(e) The name of the committee to which the withheld earnings are to be transferred.

(f) The calendar year for which the consent is given.

(2) The written affirmative consent shall be signed and dated by the contributor.

History: 1998 MR 11, Eff. Dec. 10, 1998.

R 169.39e Solicitations by separate segregated funds.

Rule 39e. (1) A for profit corporation or joint stock company may solicit the employees of its subsidiaries who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities and their spouses.

(2) A labor organization whose membership consists of other labor organizations may solicit those individuals that are members of its member labor organizations and their spouses. A labor organization whose membership consists of other labor organizations may solicit the employees of the member labor organizations who have policy making, managerial, professional, supervisory, or administrative nonclerical responsibilities and their spouses.

History: 2000 MR 2, Eff. Feb. 18, 2000.

PART 4. STATE CAMPAIGN FUND

R 169.44

Source: 1982 AACS.

R 169.45

Source: 1982 AACS.

R 169.46

Source: 1982 AACS.

R 169.47

Source: 1982 AACS.

R 169.48

Source: 1982 AACS.

PART 5. COMPLAINTS AND INVESTIGATIONS

R 169.55

Source: 1982 AACS.

R 169.56

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Source: 1982 AACS.

PART 6. OFFICEHOLDER'S EXPENSE FUND

R 169.61

Source: 1989 AACS.

R 169.62

Source: 1989 AACS.

R 169.63

Source: 1989 AACS.

R 169.64

Source: 1989 AACS.

R 169.65

Source: 1989 AACS.

DEPARTMENT OF TREASURY

REVENUE DIVISION

GENERAL AND SPECIFIC SALES AND USE TAX RULES

R 205.2

Source: 1997 AACS.

R 205.3

Source: 1997 AACS.

R 205.4

Source: 1997 AACS.

R 205.6

Source: 1997 AACS.

R 205.7

Source: 1997 AACS.

R 205.10

Source: 1997 AACS.

R 205.11

Source: 1997 AACS.

R 205.12

Source: 1997 AACS.

R 205.14

Source: 1997 AACS.

R 205.17

Source: 1997 AACS.

R 205.18

Source: 1997 AACS.

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R 205.19
Source: 1997 AACS.

R 205.21
Source: 1997 AACS.

R 205.24
Source: 1997 AACS.

R 205.25
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R 205.27
Source: 1997 AACS.

R 205.59
Source: 1997 AACS.

R 205.61
Source: 1997 AACS.

R 205.82
Source: 1997 AACS.

R 205.85
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R 205.86
Source: 1997 AACS.

R 205.96
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R 205.103
Source: 1997 AACS.

R 205.105
Source: 1997 AACS.

R 205.120
Source: 1997 AACS.

R 205.121
Source: 1997 AACS.

R 205.122
Source: 1997 AACS.

R 205.123
Source: 1997 AACS.

R 205.125
Source: 1997 AACS.

R 205.129
Source: 1997 AACS.

R 205.138
Source: 1997 AACS.

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DEPARTMENT OF TREASURY

BUREAU OF REVENUE

INTANGIBLES TAX

R 205.201 - R 205.231 Rescinded.

History: 1954 ACS 48, Eff. Nov. 14, 1966; 1979 AC; rescinded 1998 MR 10, Eff. Oct. 18, 1998.

STATE BOARD OF TAX APPEALS

PRACTICE AND PROCEDURE

R 205.301—R 205.321

Source: 1997 AACS.

REVENUE DIVISION

CIGARETTE TAX

R 205.401 Rescinded.

History: 1944 ACS 32; 1954 AC; 1979 AC; 1979 ACS 1, Eff. Jan. 12, 1980; rescinded 1998 MR 2, Eff. Mar. 8, 1998.

R 205.402

Source: 1980 AACS.

R 205.403

Source: 1980 AACS.

R 205.404 Rescinded.

History: 1979 ACS 1, Eff. Jan. 12, 1980; rescinded 1998 MR 2, Eff. Mar. 8, 1998.

R 205.405

Source: 1980 AACS.

R 205.406 Rescinded.

History: 1979 ACS 1, Eff. Jan. 12, 1980; rescinded 1998 MR 2, Eff. Mar. 8, 1998.

R 205.407

Source: 1980 AACS.

R 205.408 Rescinded.

History: 1979 ACS 1, Eff. Jan. 12, 1980; rescinded 1998 MR 2, Eff. Mar. 8, 1998.

R 205.409

Source: 1980 AACS.

R 205.410 Rescinded.

History: 1979 ACS 1, Eff. Jan. 12, 1980; rescinded 1998 MR 2, Eff. Mar. 8, 1998.

R 205.411 Rescinded.

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History: 1944 ACS 32; 1954 AC; 1979 AC; 1979 ACS 1, Eff. Jan. 12, 1980; rescinded 1998 MR 2, Eff. Mar. 8, 1998.

R 205.412 Rescinded.

History: 1979 ACS 1, Eff. Jan. 12, 1980; rescinded 1998 MR 2, Eff. Mar. 8, 1998.

R 205.413 Rescinded.

History: 1979 ACS 1, Eff. Jan. 12, 1980; rescinded 1998 MR 2, Eff. Mar. 8, 1998.

R 205.414 Rescinded.

History: 1979 ACS 1, Eff. Jan. 12, 1980; rescinded 1998 MR 2, Eff. Mar. 8, 1998.

R 205.415 Rescinded.

History: 1979 ACS 1, Eff. Jan. 12, 1980; rescinded 1998 MR 2, Eff. Mar. 8, 1998.

R 205.416

Source: 1980 AACs.

DEPARTMENT OF TREASURY

BUREAU OF REVENUE

TOBACCO PRODUCTS TAX

R 205.451 Definitions.

Rule 1. As used in these rules:

- (a) "Act" means Act No. 327 of the Public Acts of 1993, as amended, being §205.421 et seq. of the Michigan Compiled Laws.
- (b) "Licensed wholesaler or unclassified acquirer" means a wholesaler or unclassified acquirer who possesses such license issued under the act by the department during the current licensing year and whose license is not suspended or revoked by the department.

History: 1998 MR 3, Eff. Apr. 23, 1998

R 205.452 Prescribed markings on cigarette boxes and shipping cases; resale and refund of returned cigarettes.

Rule 2. (1) Licensed wholesalers and unclassified acquirers shall submit stamp orders on the form prescribed by the department. The department shall establish guidelines for ordering and the timing of shipments, and shall determine the mode of shipment of an order. On the day of shipment, the department shall fax notice of shipment to the wholesaler or unclassified acquirer.

(2) Stamps given to a wholesaler or unclassified acquirer are on assignment from the department to the specific wholesaler or unclassified acquirer.

(3) A licensed wholesaler of cigarettes who receives cigarettes from the manufacturer at a Michigan location from which deliveries to other states will be made will report all cigarettes received into its unstamped Michigan inventory. When cigarettes destined for another state are pulled from inventory for stamping and export, the cigarettes will be reported as a deduction on schedule C of the multiple schedule. Such licensed wholesaler may have in its possession stamps from other states as needed to perform its multistate stamping duties. The stamps for other states are to be segregated from Michigan stamps, and the wholesaler must be able to provide documentation to the department and its representatives of the unaffixed stamps that are in the wholesaler's possession.

(4) A wholesaler or unclassified acquirer who possesses unaffixed stamps at the time its license is revoked or expired or at the time it discontinues the business of selling cigarettes shall return all unaffixed stamps to the department within 14 calendar days of the date of license revocation, license expiration, or discontinuance of its business.

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(5) Beginning September 1, 1998, the refund to wholesalers and unclassified acquirers of the tax on cigarettes returned to manufacturers is allowed if all of the following conditions are met:

(a) A cigarette pack returned to a wholesaler or unclassified acquirer by a secondary wholesaler, retailer, or vending machine operator before September 1, 1998, for return to a manufacturer shall be kept separate from cigarettes returned to wholesalers on or after September 1, 1998.

(b) A cigarette pack returned to a wholesaler or unclassified acquirer by a secondary wholesaler, retailer, or vending machine operator on or after September 1, 1998, for return to the manufacturer must bear the stamp prescribed by the department in order to qualify for refund or credit of the tax paid.

(c) A refund claim for cigarettes held for return as of September 1, 1998, shall be submitted separately from any claims for cigarettes received for return on or after September 1, 1998.

(6) A wholesaler or unclassified acquirer is liable for the amount of the face value of any stamps which are lost through negligence, theft, or mysterious disappearance or which are not otherwise accounted for in the records of the wholesaler or unclassified acquirer. The tax due shall be less the percentage compensation under section 7(3) of the act. The tax due shall be assessed in accordance with the provisions of Act No. 122 of the Public Acts of 1941, as amended, being §205.1 et seq. of the Michigan Compiled Laws. If identifiable stamps that have been lost through negligence, theft, or mysterious disappearance are recovered within 4 years of the date of mailing by the department, then credit will be given against the tax due, less the percentage compensation under section 7(3) of the act, if adequate proofs are submitted to the department.

(7) Relating to the tax liability described under item (6) above, credit may be given against the tax due, less the percentage compensation, for the denominated value of stamps affixed to packs that have been destroyed by fire, flood, or other casualty before distribution. The wholesaler or unclassified acquirer must establish by clear and convincing evidence that the cigarettes were destroyed by fire, flood, or other casualty before distribution and must establish the denominated value of the affixed stamps. "Destroyed," as used in this subrule, refers to unaffixed stamps which can no longer be identified and affixed to cigarette packs, or stamps which are affixed to cigarette packs that no longer qualify for return to the manufacturer.

History: 1998 MR 3, Eff. Apr. 23, 1998.

R 205.453 Manufacturers' representatives; permissions; limitations.

Rule 3. Manufacturers' representatives may legally possess individual packs of cigarettes if the application is submitted to Tobacco Products Tax Division, Michigan Department of Treasury, Lansing, MI 48922, all of the permissions are obtained, and all of the following are met:

(a) The application shall contain all of the following information:

(i) The representative's name, address, and telephone number.

(ii) Make, model, and license number of the representative's vehicle.

(iii) Counties in Michigan in which the representative will be working.

(iv) States other than Michigan in which the representative will be working.

(b) A manufacturer shall promptly notify the commissioner if the manufacturer's representative is no longer employed by the manufacturer or if there is any change in any representative's territory in the state of Michigan, name, address, telephone number, or vehicle make, model, or license number.

History: 1998 MR 3, Eff. Apr. 23, 1998.

R 205.454 Stamping agents; permissions; limitations.

Rule 4. (1) To be a stamping agent, a person shall comply with all of the following provisions:

(a) Receive written authorization from the department.

(b) Be licensed by the department as a wholesaler or unclassified acquirer.

(c) Be appointed as an agent of 1 or more wholesalers or unclassified acquirers for the purpose of affixing stamps prescribed by the department to individual packs of cigarettes.

(d) Submit to the department a current list of all persons for whom he or she acts as a stamping agent as these persons change.

(e) Submit proof of insurance to indemnify the state for any lost or stolen stamps.

(2) Each stamping agent shall keep separate records, by denomination, of stamps received, affixed, and in inventory at the end of each month for each wholesaler or unclassified acquirer, or both, for whom the agent acts as a stamping agent.

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(3) Upon the written request of a wholesaler or unclassified acquirer, the department may, at its discretion, ship stamps directly to the wholesaler's or unclassified acquirer's authorized stamping agent or allow the stamping agent to pick up a stamp order on behalf of the wholesaler or unclassified acquirer.

(4) A stamping agent shall not give, sell, or lend an unaffixed stamp to another person and shall not accept, purchase, or borrow an unaffixed stamp from another person for whom the agent has not been authorized by the department to act as a stamping agent.

(5) A stamping agent shall not affix a stamp received from a wholesaler or unclassified acquirer to another person's individual cigarette pack.

(6) Upon notice from the department for proper administration of the act, a stamping agent shall not affix stamps for any wholesaler or unclassified acquirer whose license has been revoked or not renewed by the department and shall return any related unaffixed stamps to the department.

(7) A stamping agent who discontinues acting as a stamping agent or discontinues business shall return any unaffixed stamps to the respective wholesaler or unclassified acquirer from whom the stamps were received within 14 calendar days of the date of discontinuance. The department must be provided with written notification of the date of return, the denomination of the stamps, and the respective numbers of stamps returned. The wholesaler or unclassified acquirer must certify receipt of the stamps in writing. If the wholesaler or unclassified acquirer has a revoked or expired license or has discontinued business, then the stamping agent shall return any unaffixed stamps to the department within 14 calendar days of the date of his or her license revocation, expiration, or discontinuance and identify the related wholesaler or unclassified acquirer.

History: 1998 MR 3, Eff. Apr. 23, 1998.

R 205.455 Rescission.

Rule 5. R 205.411 of the Michigan Administrative Code, appearing on page 32 of the 1980 Annual Supplement to the 1979 Michigan Administrative Code, is rescinded.

History: 1998 MR 3, Eff. Apr. 23, 1998.

BUSINESS ACTIVITIES TAX

R 205.551—R 205.566

Source: 1997 AACS.

BUREAU OF REVENUE

TAXPAYER BILL OF RIGHTS

R 205.1001

Source: 1996 AACS.

R 205.1002

Source: 1996 AACS.

R 205.1003

Source: 1996 AACS.

R 205.1004

Source: 1996 AACS.

R 205.1005

Source: 1996 AACS.

R 205.1006 Written authorization for disclosure of confidential information to third parties or taxpayer representatives; use of facsimile equipment.

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Rule 6. (1) Before a department officer or employee may disclose confidential information to a third party, the third party shall furnish the appropriate authorization from the taxpayer.

(2) For telephone or in-person requests, the department shall determine the identity of the requesting party before giving out confidential information.

(3) When determining the identity of the third party, whether the request is by telephone or in person, the department shall obtain the following information about the taxpayer and the subject matter from the requesting party:

(a) The taxpayer's name, address of record, taxpayer's identification number, and any other information necessary to identify the requesting party.

(b) For a refund inquiry, the approximate amount of expected refund, unless that amount is computed by the department, and the manner in which the return was filed, for example, an individual separate or a joint return.

(4) A telephone conference call which is initiated by the taxpayer and which includes the taxpayer, the taxpayer representative, and the department may be utilized to discuss confidential information concerning the taxpayer without written authorization, unless it is preferable to mail the requested return information to the taxpayer's address of record.

(5) The written authorization of the taxpayer shall include the following information:

(a) The taxpayer's name, address, and account number.

(b) The time period for which the authorization is effective.

(c) The name, address, and telephone number of the taxpayer representative.

(d) The type of return, tax type, and period to be disclosed.

(e) The taxpayer's signature and the date of signature.

(f) A designation as to whether the taxpayer representative is given general authorization or limited authorization to act on the taxpayer's behalf. General authorization to act on the taxpayer's behalf includes authorization to do any of the following:

(i) Inspect or receive confidential tax information for all tax years and all tax matters.

(ii) Represent the taxpayer and make oral or written presentations of fact and argument for all tax matters and years.

(iii) Sign returns and enter into agreements for all tax matters and years.

Limited authorization for specific tax matters includes authorization as to a specific type of tax, return, or year or period.

(6) A taxpayer's written authorization may be provided by filing any of the following completed documents:

(a) The original Michigan form C-1029 entitled "Power of Attorney/ Authorization." The form may be obtained without cost from the Michigan Department of Treasury, Treasury Building, Lansing, Michigan 48922, or by calling 1-800-FORM-2-ME (1-800-367-6263).

(b) A copy of federal form 2848 entitled "Power of Attorney and Declaration of Representative." The form may be obtained at the nearest internal revenue service office.

(c) An original or a copy of any other appropriate power of attorney or other taxpayer authorization.

(7) If the written authorization does not identify the effective date and expiration date, the department shall presume that the effective date is the same date as the date of the written authorization. If the written authorization is not dated, the department shall presume that the effective date is the date the department receives the written authorization. The department shall presume that there is no expiration date for the matters specified. If a written authorization is otherwise incomplete, the department may request the taxpayer to supply missing or clarifying information.

(8) The taxpayer may name only 1 taxpayer representative for a single tax dispute or matter. The department will contact the taxpayer representative when a valid authorization or power of attorney has been properly filed with the department and the taxpayer makes a written request that copies of letters and notices be sent to the taxpayer representative. If a taxpayer representative is an organization and not an individual, the taxpayer shall designate a contact person within the organization.

(9) A taxpayer shall have only 1 authorization or power of attorney for each taxpayer representative on file with the department for a particular matter. An authorization, once filed with the department and associated with a return or tax matter, shall be presumed to be valid unless the department receives notice that the authorization is no longer valid. By executing and filing a new written authorization, a taxpayer shall revoke

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a previously filed authorization that relates to the same tax dispute that is covered by the newly filed authorization. An authorization ordinarily will be requested regarding a specific matter only upon the first appearance of the representative before the department.

(10) The department may accept tax information that is voluntarily offered by third parties, but, in the absence of appropriate authorization, may not disclose information to the third party. For example, a third party may provide canceled check information to initiate a payment tracer on a bill, but the department may not disclose the balance due or the nature of the assessment to the third party in the absence of appropriate authorization from the taxpayer. The department may discuss only general information relative to the meaning of a bill or a notice or information that is provided by the third party.

(11) A taxpayer's conduct may constitute either express or implied authorization to the department to disclose confidential information. For example, if a taxpayer brings a friend to an informal conference or other face-to-face meeting with department personnel and invites the friend to sit in, the taxpayer's conduct will be considered to have given implied consent to the disclosure of confidential tax information about the taxpayer. If a taxpayer does not authorize the department to disclose confidential tax information to the friend, then the friend shall leave the informal conference. For example, the conduct of a deaf individual who seeks translation from the department may constitute implied consent to the translator to relay or receive confidential information on the individual's behalf if the deaf individual is a party to the conversation with the department.

(12) The department will accept either the original written authorization or, with indicia of reliability and trustworthiness, a copy of a power of attorney received by facsimile transmission (FAX).

History: 1996 MR 8, Eff. Aug. 28, 1996; 1998 MR 5, Eff. May 22, 1998.

R 205.1007

Source: 1996 AACS.

R 205.1008

Source: 1996 AACS.

R 205.1009

Source: 1996 AACS.

R 205.1010

Source: 1996 AACS.

R 205.1011

Source: 1996 AACS.

R 205.1012

Source: 1996 AACS.

R 205.1013

Source: 1996 AACS.

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

TAX TRIBUNAL

PRACTICE AND PROCEDURE

PART 1. GENERAL PROVISIONS

R 205.1101

Source: 1996 AACS.

R 205.1111

Source: 1996 AACS.

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R 205.1115
Source: 1996 AACS.

R 205.1120
Source: 1996 AACS.

R 205.1125
Source: 1996 AACS.

R 205.1130
Source: 1996 AACS.

R 205.1135
Source: 1996 AACS.

R 205.1140
Source: 1996 AACS.

R 205.1145
Source: 1996 AACS.

R 205.1150
Source: 1996 AACS.

R 205.1155
Source: 1996 AACS.

PART 2. MATTERS BEFORE ENTIRE TRIBUNAL

R 205.1201
Source: 1996 AACS.

R 205.1202
Source: 1996 AACS.

R 205.1205
Source: 1996 AACS.

R 205.1208
Source: 1996 AACS.

R 205.1210
Source: 1996 AACS.

R 205.1215
Source: 1996 AACS.

R 205.1220
Source: 1996 AACS.

R 205.1222
Source: 1996 AACS.

R 205.1225
Source: 1996 AACS.

R 205.1230
Source: 1996 AACS.

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R 205.1235
Source: 1996 AACS.

R 205.1240
Source: 1996 AACS.

R 205.1245
Source: 1996 AACS.

R 205.1247
Source: 1996 AACS.

R 205.1249
Source: 1996 AACS.

R 205.1250
Source: 1996 AACS.

R 205.1252
Source: 1996 AACS.

R 205.1255
Source: 1996 AACS.

R 205.1260
Source: 1996 AACS.

R 205.1264
Source: 1996 AACS.

R 205.1270
Source: 1996 AACS.

R 205.1275
Source: 1996 AACS.

R 205.1278
Source: 1996 AACS.

R 205.1281
Source: 1996 AACS.

R 205.1283
Source: 1996 AACS.

R 205.1285
Source: 1996 AACS.

R 205.1288
Source: 1996 AACS.

R 205.1290
Source: 1996 AACS.

PART 3. MATTERS BEFORE SMALL CLAIMS DIVISION

R 205.1301
Source: 1996 AACS.

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R 205.1303
Source: 1996 AACS.

R 205.1305
Source: 1996 AACS.

R 205.1310
Source: 1996 AACS.

R 205.1312
Source: 1996 AACS.

R 205.1313
Source: 1996 AACS.

R 205.1315
Source: 1996 AACS.

R 205.1317
Source: 1996 AACS.

R 205.1320
Source: 1996 AACS.

R 205.1330
Source: 1996 AACS.

R 205.1332
Source: 1996 AACS.

R 205.1333
Source: 1996 AACS.

R 205.1335
Source: 1996 AACS.

R 205.1340
Source: 1996 AACS.

R 205.1342
Source: 1996 AACS.

R 205.1345
Source: 1996 AACS.

R 205.1348
Source: 1996 AACS.

PART 4. HEARING AND POSTHEARING PROCEDURES

R 205.1401
Source: 1997 AACS.

R 205.1405, R 205.1410
Source: 1997 AACS.

R 205.1430, R 205.1435, R 205.1440
Source: 1997 AACS.

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R 205.1445

Source: 1997 AACS.

R 205.1450, R 205.1455

Source: 1997 AACS.

R 205.1460

Source: 1997 AACS.

R 205.1462

Source: 1997 AACS.

R 205.1471, R 205.1475

Source: 1997 AACS.

PART 6. SMALL CLAIMS DIVISION

R 205.1601

Source: 1997 AACS.

R 205.1603

Source: 1997 AACS.

R 205.1605

Source: 1997 AACS.

R 205.1610

Source: 1997 AACS.

R 205.1612

Source: 1997 AACS.

R 205.1613

Source: 1997 AACS.

R 205.1615

Source: 1997 AACS.

R 205.1617

Source: 1997 AACS.

R 205.1620

Source: 1997 AACS.

R 205.1630

Source: 1997 AACS.

R 205.1632

Source: 1997 AACS.

R 205.1635

Source: 1997 AACS.

R 205.1640

Source: 1997 AACS.

R 205.1642

Source: 1997 AACS.

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R 205.1645
Source: 1997 AACS.

R 205.1648
Source: 1997 AACS.

R 205.1650
Source: 1997 AACS.

DEPARTMENT OF TREASURY
BUREAU OF REVENUE
CONTESTED CASE PROCEDURES
PART 1. GENERAL PROVISIONS

R 205.3101
Source: 1995 AACS.

R 205.3102
Source: 1995 AACS.

R 205.3103
Source: 1995 AACS.

PART 2. COMMENCEMENT OF APPEAL PROCEEDING

R 205.3201
Source: 1995 AACS.

R 205.3202
Source: 1995 AACS.

R 205.3203
Source: 1995 AACS.

R 205.3204
Source: 1995 AACS.

R 205.3205
Source: 1995 AACS.

R 205.3206
Source: 1995 AACS.

R 205.3207
Source: 1995 AACS.

R 205.3208
Source: 1995 AACS.

R 205.3209
Source: 1995 AACS.

R 205.3210
Source: 1995 AACS.

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R 205.3211

Source: 1995 AACS.

PART 3. PLEADINGS, MOTION PRACTICE, AND INTERVENTION

R 205.3301

Source: 1995 AACS.

R 205.3302

Source: 1995 AACS.

R 205.3303

Source: 1995 AACS.

R 205.3304

Source: 1995 AACS.

R 205.3305

Source: 1995 AACS.

R 205.3306

Source: 1995 AACS.

R 205.3307

Source: 1995 AACS.

R 205.3308

Source: 1995 AACS.

R 205.3309

Source: 1995 AACS.

R 205.3310

Source: 1995 AACS.

R 205.3311

Source: 1995 AACS.

R 205.3312

Source: 1995 AACS.

R 205.3313

Source: 1995 AACS.

R 205.3314

Source: 1995 AACS.

R 205.3315

Source: 1995 AACS.

R 205.3316

Source: 1995 AACS.

PART 4. JOINT AND CONSOLIDATED PROCEEDINGS

R 205.3401

Source: 1995 AACS.

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R 205.3402
Source: 1995 AACS.

PART 5. PREHEARING CONFERENCES

R 205.3501
Source: 1995 AACS.

R 205.3502
Source: 1995 AACS.

R 205.3503
Source: 1995 AACS.

R 205.3504
Source: 1995 AACS.

R 205.3505
Source: 1995 AACS.

PART 6. CONDUCT OF HEARINGS

R 205.3601
Source: 1995 AACS.

R 205.3602
Source: 1995 AACS.

R 205.3603
Source: 1995 AACS.

R 205.3604
Source: 1995 AACS.

R 205.3605
Source: 1995 AACS.

R 205.3606
Source: 1995 AACS.

R 205.3607
Source: 1995 AACS.

R 205.3608
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R 205.3609
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R 205.3610
Source: 1995 AACS.

R 205.3611
Source: 1995 AACS.

R 205.3612
Source: 1995 AACS.

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R 205.3613

Source: 1995 AACS.

R 205.3614

Source: 1995 AACS.

R 205.3615

Source: 1995 AACS.

R 205.3616

Source: 1995 AACS.

R 205.3617

Source: 1995 AACS.

R 205.3618

Source: 1995 AACS.

PART 7. DECISIONS

R 205.3701

Source: 1995 AACS.

R 205.3702

Source: 1995 AACS.

R 205.3703

Source: 1995 AACS.

PART 8. REMAND PROCEEDINGS

R 205.3801

Source: 1995 AACS.

R 205.3802

Source: 1995 AACS.

DEPARTMENT OF TREASURY

BUREAU OF REVENUE

RECORDKEEPING AND RETENTION RULES

PART 1. GENERAL PROVISIONS

R 205.4101 Scope

Rule 1. These rules set forth the requirements imposed on taxpayers for the maintenance and retention of books, records, and other sources of information under the revenue act, MCL 205.1 et seq, and each of the tax statutes that are administered by the department in accordance with the revenue act. These rules also address the requirements where all or part of the taxpayer's records are received, created, maintained or generated through various computer, electronic, and imaging processes and systems.

History: 2000 MR 9, Eff. Jul. 13, 2000.

R 205.4102 Definitions

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Rule 2. As used in these rules:

"Commissioner" means the commissioner of the bureau of revenue of the Michigan department of treasury.

"Database management system" means a software system that controls, relates, retrieves, and provides access to data stored in a database.

"Department" means the Michigan department of treasury.

"Electronic data interchange" or "EDI" or "EDI technology" means the computer-to-computer exchange of business transactions in a standardized structured electronic format.

"Hardcopy" means any documents, records, reports or other data printed on paper.

"Machine-sensible record" means a collection of related information in an electronic format. Machine-sensible records do not include hard copy records that are created or recorded on paper or stored in or by an imaging system such as microfilm, microfiche, or storage-only imaging systems.

"Storage-only imaging system" means a system of computer hardware and software that provides for the storage, retention, and retrieval of documents originally created on paper. It does not include any system, or part of a system, that manipulates or processes any information or data contained on the document in any manner other than to reproduce the document in hard copy or as an optical image.

"Taxpayer" means a person subject to a tax administered in accordance with the revenue act.

"The revenue act" means 1941 PA 122, MCL 205.1 et seq.

History: 2000 MR 9, Eff. Jul. 13, 2000.

R 205.4103 General recordkeeping requirements

Rule 3. (1) Pursuant to section 28(3) of the revenue act, MCL 205.28(3), a taxpayer shall maintain all records that are necessary for the proper determination of the taxpayer's tax liability. In addition, a taxpayer shall maintain the records required by each of the tax statutes that are administered by the department in accordance with the revenue act. All required records shall be made available to the commissioner at the request of the commissioner or the commissioner's authorized representatives as provided for in section 3(a) of the revenue act, MCL 205.3(a).

(2) If a taxpayer retains in both machine-sensible and hardcopy formats records required to be retained under the revenue act, the tax statutes administered through the revenue act, and these rules, the taxpayer shall make the records available to the department in machine-sensible format upon request of the commissioner or the commissioner's authorized representatives as provided for in MCL 205.3(a).

(3) Nothing in these rules shall be construed to prohibit a taxpayer from demonstrating tax compliance with traditional hardcopy documents or reproductions of those documents, in whole or in part, whether or not the taxpayer also has retained or has the capability to retain records on electronic or other storage media in accordance with these rules. However, this subrule does not relieve the taxpayer of the obligation to comply with subrule (2) of this rule.

History: 2000 MR 9, Eff. Jul. 13, 2000.

PART 2. RECORDKEEPING REQUIREMENTS FOR MACHINE-SENSIBLE RECORDS

R 205.4104 General requirements

Rule 4. (1) Machine-sensible records used to establish tax compliance shall contain sufficient transaction-level detail information so that the details underlying the machine-sensible records can be identified and made available to the department upon request. A taxpayer may discard duplicated records and redundant information if the taxpayer's responsibilities under these rules are otherwise met.

(2) At the time of an examination, the retained records shall be capable of being retrieved and converted to a standard record format.

(3) Taxpayers are not required to construct machine-sensible records other than those created in the ordinary course of business. A taxpayer who does not create the electronic equivalent of a traditional paper record in the ordinary course of business is not required to construct such a record for tax purposes. However, in the absence of the electronic equivalent, the taxpayer shall maintain traditional paper records.

History: 2000 MR 9, Eff. Jul. 13, 2000.

R 205.4105 Electronic data interchange requirements

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Rule 5. (1) Where a taxpayer uses electronic data interchange processes and technology, the level of record detail, in combination with other records related to the transactions, shall be equivalent to the level of record detail contained in an acceptable hardcopy record. For example, the retained records should contain information including, but not limited to, the vendor name, invoice date, product description, quantity purchased, price, amount of tax, indication of tax status, and shipping detail. The taxpayer may use codes to identify some or all of the data elements, provided that the taxpayer provides a method that allows the department to interpret the coded information.

(2) The taxpayer may capture the information necessary to satisfy subrule (1) of this rule at any level within the accounting system and need not retain the original EDI transaction records provided that the audit trail, authenticity, and integrity of the retained records can be established. For example, a taxpayer using electronic data interchange technology receives electronic invoices from its suppliers. The taxpayer decides to retain the invoice data from completed and verified EDI transactions in its accounts payable system rather than to retain the EDI transactions themselves. Since neither the EDI transaction nor the accounts payable system captures information from the invoice pertaining to product description and vendor name (i.e., they contain only codes for that information), the taxpayer also retains other records, such as its vendor master file and product code description lists and makes them available to the department. In this example, the taxpayer need not retain its EDI transaction for tax purposes.

History: 2000 MR 9, Eff. Jul. 13, 2000.

R 205.4106 Electronic data processing systems requirements

Rule 6. The requirements for an electronic data processing accounting system shall be similar to the requirements of a manual accounting system. An adequately designed electronic data processing accounting system shall incorporate methods and include records sufficient to satisfy the requirements of these rules.

History: 2000 MR 9, Eff. Jul. 13, 2000.

R 205.4107 Business process information

Rule 7. (1) At the department's request, a taxpayer shall provide a description of the business process that created the retained records. The description shall include the relationship between the records and the tax documents prepared by the taxpayer and the measures employed to ensure the integrity of the records.

(2) The description of the business process shall include all of the following information:

The functions being performed as they relate to the flow of data through the system.

The internal controls used to ensure accurate and reliable processing.

The internal controls used to prevent unauthorized addition, alteration, or deletion of retained records.

(3) The following specific documentation is required for machine-sensible records retained under these rules:

Record formats or layouts.

Field definitions (including the meaning of all codes used to represent information).

File descriptions (e.g., data set name).

Detailed charts of accounts and account descriptions.

History: 2000 MR 9, Eff. Jul. 13, 2000.

PART 3. RECORDS MAINTENANCE

R 205.4108 Records maintenance requirements

Rule 8. The taxpayer's computer hardware or software shall accommodate the extraction and conversion of retained, machine-sensible records.

History: 2000 MR 9, Eff. Jul. 13, 2000.

PART 4. ACCESS TO MACHINE-SENSIBLE RECORDS

R 205.4109 Access to machine-sensible records

Rule 9. (1) The taxpayer may provide access to machine-sensible records by one or more of the following methods:

The taxpayer may arrange to provide the department with the hardware, software and personnel resources

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necessary to access the machine-sensible records.

The taxpayer may arrange for a third party to provide the hardware, software and personnel resources necessary to access the machine-sensible records.

The taxpayer may convert the machine-sensible records to a standard record format specified by the department, including copies of files, on a magnetic medium that is approved by the department.

The taxpayer and the department may agree on other means of providing access to the machine-sensible records.

(2) In implementing subrule (1) of this rule, the department shall take into account a taxpayer's particular facts and circumstances through consultation with the taxpayer.

History: 2000 MR 9, Eff. Jul. 13, 2000.

PART 5. TAXPAYER RESPONSIBILITY AND DISCRETIONARY AUTHORITY

R 205.4110 Taxpayer responsibility and discretionary authority

Rule 10. (1) To meet the requirements of part 2 of these rules, a taxpayer may create files solely for the use of the department. For example, if a data base management system is used, the taxpayer may create and retain a file that contains the transaction-level detail from the data base management system and that meets the requirements of part 2 of these rules. The taxpayer shall document the process that created the separate file to show the relationship between that file and the original records.

(2) A taxpayer may contract with a third party to provide custodial or management services of the records. The contract shall not relieve the taxpayer of its responsibilities under these rules.

History: 2000 MR 9, Eff. Jul. 13, 2000.

PART 6. ALTERNATIVE STORAGE MEDIA

R 205.4111 Alternative storage media

Rule 11. (1) For purposes of storage and retention, a taxpayer may convert hard-copy documents received or produced in the normal course of business and required to be retained under these rules to microfilm, microfiche or other storage-only imaging systems and may discard the original hard-copy documents, provided that all other requirements of these rules are met. Documents which may be stored on these media include, but are not limited to, general books of account, journals, voucher registers, general and subsidiary ledgers, and supporting records of details, such as sales invoices, purchase invoices, exemption certificates, and credit memoranda.

(2) Microfilm, microfiche, and other storage-only imaging systems shall meet the following requirements:

Documentation establishing the procedures for converting the hard-copy documents to microfilm, microfiche or other storage-only imaging system shall be maintained and made available to the department at the department's request. The documentation shall, at a minimum, contain a sufficient description to allow an original document to be followed through the conversion system as well as internal procedures established for inspection and quality assurance.

Procedures shall be established for the effective identification, processing, storage, and preservation of the stored documents and for making them available for the period they are required to be retained under R 205.4113.

At the department's request, a taxpayer shall provide facilities and equipment for reading, locating, and reproducing any documents maintained on microfilm, microfiche, or other storage-only imaging system.

When displayed on such equipment or reproduced on paper, the documents shall exhibit a high degree of legibility and readability. For this purpose, legibility is defined as the quality of a letter or numeral that enables the observer to identify it positively and quickly to the exclusion of all other letters or numerals. Readability is defined as the quality of a group of letters or numerals being recognizable as words or complete numbers.

All data stored on microfilm, microfiche, or other storage-only imaging systems shall be maintained and arranged in a manner that permits the location of any particular record.

There is no substantial evidence that the microfilm, microfiche, or other storage-only imaging system lacks authenticity or integrity.

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History: 2000 MR 9, Eff. Jul. 13, 2000.

R 205.4112 Effect of rules on hard-copy recordkeeping requirements

Rule 12. (1) Except as otherwise provided in this rule, these rules do not relieve taxpayers of the responsibility to retain hard-copy records that are created or received in the ordinary course of business as required by existing law. Hard-copy records may be retained on a recordkeeping medium as provided in R 205.4111.

(2) If hard-copy records are not produced or received in the ordinary course of transacting business (e.g., when the taxpayer uses electronic data interchange technology), then such hard-copy records need not be created.

(3) Hard-copy records generated at the time of a transaction using a credit or debit card shall be retained unless all of the details necessary to determine correct tax liability relating to the transaction are later received and retained by the taxpayer in accordance with these rules. The details include those listed in R 205.4115(1).

(4) A taxpayer is not required to retain computer printouts that are created for validation, control, or other temporary purposes.

(5) Nothing in this rule shall prevent the department from requesting hard-copy printouts instead of retained machine-sensible records at the time of examination.

History: 2000 MR 9, Eff. Jul. 13, 2000.

R 205.4113 Records retention-time period

Rule 13. All records required to be retained under these rules shall be preserved while the statute of limitations period described in MCL 205.27a(2) or in any of the tax statutes administered under the revenue act is open by operation of law, agreement of the parties, or otherwise, unless the department has stated in writing that the records are no longer required.

History: 2000 MR 9, Eff. Jul. 13, 2000.

R. 205.4114 Confidential nature of taxpayer records

Rule 14. A person who discloses confidential information in violation of MCL 205.28(1)(e) or 205.28(1)(f), is guilty of a felony punishable by a fine of not more than \$5,000, imprisonment for not more than 5 years, or both, together with the costs of prosecution. In addition, if the offense is committed by an employee of the state, the employee shall be dismissed from office or discharged from employment upon conviction.

History: 2000 MR 9, Eff. Jul. 13, 2000.

DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES

DIRECTOR'S OFFICE

SOLAR, WIND, WATER, AND WOOD ENERGY INCOME TAX CREDITS

R 206.11 Rescinded.

History: 1954 ACS 95, Eff. Apr. 5, 1978; 1979 AC; 1998 MR 4, Eff. May 21, 1998.

R 206.12 Allocation and apportionment of income; adjustments.

Rule 12. (1) Salaries, wages, and other compensation received by a Michigan resident are allocated to Michigan. The credit provided in section 255 of Act No. 281 of the Public Acts of 1967, being §206.255 of the Michigan Compiled Laws, may be claimed if the compensation was earned in another state and taxed by that state.

(2) Salaries and wages earned in Michigan by a nonresident are allocated to Michigan.

(3) Income from a trade or business as defined in R 206.1 is allocated or apportioned to the state in which the activity takes place.

(4) Business income that is attributable to Michigan and 1 or more other states shall be apportioned as provided in sections 115 to 195 of Act No. 281 of the Public Acts of 1967, as amended, being §§206.115 to

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206.195 of the Michigan Compiled Laws.

(5) Net rents and royalties from real property are allocated to the state in which the real property is located.

(6) Net rents and royalties from tangible property are allocated to Michigan, if either of the following provisions applies:

(a) The personal property is utilized in Michigan.

(b) The rent is received by a Michigan resident or the recipient has a commercial domicile in Michigan and is not organized under the laws of, or subject to tax by, the state in which the property was utilized.

(7) Capital gains and losses from the disposition of real property are allocated to the state in which the real property is located.

(8) Capital gains and losses from the disposition of personal property are allocated to Michigan if any of the following provisions apply:

(a) The property was located in Michigan at the time of sale.

(b) The taxpayer is a Michigan resident.

(c) The taxpayer has a commercial domicile in this state and is not taxable in the state in which the property had a situs.

(9) Capital gains and losses from the disposition of intangible personal property are allocated to Michigan if received by a Michigan resident.

(10) Interest, dividends, and pension and annuity income are allocated to Michigan if received by a Michigan resident.

(11) Patent and copyright royalties are allocated to Michigan if either of the following provisions applies:

(a) The patent or copyright is used in Michigan.

(b) The owner is a Michigan resident or has a commercial domicile in Michigan and is not taxable in the state in which the patent or copyright was used.

(12) A patent is used in Michigan if the patented product is produced in

Michigan or the patent is used in Michigan production, fabrication, manufacturing, or other processing.

(13) A copyright is used in Michigan if the printing or publication of the copyrighted item takes place in Michigan.

(14) Income includable in federal adjusted gross income not specifically allocated or apportioned by this rule is allocated to Michigan when received by a Michigan resident. Credit for tax paid to another state on income subject to tax in the other state may be claimed by the Michigan resident.

(15) The following forms of income may be claimed as a subtraction from adjusted gross income if not allocated or apportioned to Michigan; conversely, losses not allocated or apportioned to Michigan shall be added to adjusted gross income:

(a) Trade or business, including farming.

(b) Rents and royalties from real and personal property.

(c) Capital gains from the disposition of real and tangible personal property.

(d) Capital gains from the disposition of intangible personal property.

(e) Interest and dividends.

(f) Pensions and annuities.

(g) Patent and copyright royalties.

(16) Distributive share items received by a partner are allocated or apportioned as follows:

(a) Ordinary income is apportioned to Michigan by the partnership apportionment factors provided in sections 115 to 195 of Act No. 281 of the Public Acts of 1967, as amended, being §§206.115 to 206.195 of the Michigan Compiled Laws.

(b) Salary allocated to Michigan when received by a Michigan resident. Credit may be claimed for tax paid to another state if the salary was earned in the other state. Salary earned in Michigan by a nonresident partner is allocated to Michigan.

(c) Short-term capital gains (losses), long-term capital gains (losses), involuntary conversion gains (losses), and other gains (losses) from real or personal property that had a situs in Michigan at the time of sale are allocated to Michigan. Capital gains from the sale of intangible personal property are allocated to Michigan when received by a Michigan resident.

(d) Additional first-year depreciation on property located in Michigan is allocated to Michigan.

(e) Distributive items from a partnership not allocated or apportioned to Michigan may be claimed as a

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deduction from adjusted gross income. Conversely, losses and deductions not allocated or apportioned to Michigan shall be added to adjusted gross income.

(17) All distributive income from a subchapter S corporation includable in the shareholder's adjusted gross income is subject to tax if allocated or apportioned to Michigan.

(18) Dividend distributions taxable as ordinary income, plus undistributed income taxable as ordinary income, are apportioned to Michigan if all of the corporation's business activities are confined to Michigan. If the corporation is taxable both within and without Michigan, such income is apportioned to Michigan as provided in sections 115 to 195 of Act No. 281 of the Public Acts of 1967, as amended, being §§206.115 to 206.195 of the Michigan Compiled Laws.

(19) Dividend distributions taxable as long-term capital gains and undistributed long-term capital gains are allocated as follows:

(a) Capital gains from the disposition of real property are allocated to Michigan if the property is located in Michigan.

(b) Capital gains from the disposition of tangible personal property are allocated to Michigan if the property has a situs in Michigan at the time of sale.

(c) Capital gains from the sale of intangible personal property are allocated to Michigan when received by a Michigan resident.

(20) Distributive income from a subchapter S corporation not allocated or apportioned to Michigan may be claimed as a subtraction from adjusted gross income. Conversely, losses not allocated or apportioned to Michigan shall be added to adjusted gross income.

History: 1954 ACS 95, Eff. Apr. 5, 1978; 1979 AC; 1998 MR 4, Eff. May 21, 1998.

R 206.13 Exemption allowance; proration for nonresident or part-year resident; death of taxpayer.

Rule 13. (1) A person who is permanently leaving Michigan and is filing a final federal return covering less than 12 months shall file a Michigan return covering the same period and prorate the exemption allowance on the basis of months in Michigan during the calendar year to 12 months.

(2) A proration of the exemption allowance is not required because of the death of the taxpayer during the tax year.

History: 1954 ACS 95, Eff. Apr. 5, 1978; 1979 AC; 1998 MR 4, Eff. May 21, 1998.

R 206.17. City income tax credit.

Rule 17. (1) Each person subject to tax under Act No. 281 of the Public Acts of 1967, being §§206.1 through 206.532 of the Michigan Compiled Laws, may claim a credit for a portion of the income taxes levied by cities in Michigan that are deductible if that person had not elected the standard deduction. For purposes of computations of this credit, city income taxes do not include penalties or interest paid.

(2) The amount of city income taxes used as a basis for computation of this credit shall be the city income tax paid by the taxpayer in the tax year. The tax paid shall be reduced by any refund of overpaid taxes of a prior year.

(3) If a person is assessed and pays additional city income taxes applicable to prior years, the additional taxes paid shall be added to the city income tax of the year in which they are paid for purposes of computation of this credit.

History: 1954 ACS 95, Eff. Apr. 5, 1978; 1979 AC; 1998 MR 4, Eff. May 21, 1998.

R 206.18 Rescinded.

History: 1954 ACS 95, Eff. Apr. 5, 1978; 1979 AC; 1998 MR 4, Eff. May 21, 1998.

R 206.101—R 206.121

Source: 1997 AACS.

DEPARTMENT OF STATE

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MICHIGAN HISTORICAL CENTER

HISTORIC PRESERVATION CERTIFICATION

R 206.151 Purpose.

Rule 1. The purpose of these rules is to prescribe the procedures whereby a taxpayer may request certification of historic significance, a rehabilitation plan, and a completed rehabilitation of a historic resource before seeking a tax credit.

History: 2000 MR 5, Eff. Apr. 27, 2000

R 206.152 Definitions.

Rule 2. (1) As used in these rules:

(a) Federal secretary?means the United States secretary of the interior, or a designee authorized by the secretary, in the course of carrying out the secretary's responsibilities to certify historic significance, rehabilitation plans, and rehabilitation work under federal law.

(b) Inspection?means a visit by an authorized representative of the center to a certified or potentially certified historic resource for the purposes of reviewing and evaluating the significance of the historic resource or the ongoing or completed rehabilitation or for the purpose of determining whether an unapproved alteration to the completed rehabilitation was made during the 5 years after the tax year in which a tax credit was claimed.

(c) Michigan historical center?or center?means the state historic preservation office of the Michigan historical center of the department of state or its successor agency.

(d) Owner?means a person, partnership, corporation, or public body holding a fee simple interest in a resource or any other person or entity recognized by a tax organization for purposes of applicable tax benefits.

(e) Rehabilitation?means the process of returning a building, structure, or other historic resource to a useful state, through repair or alteration, which makes possible an efficient or a functional use while preserving the portions and features of the historic resource that are significant to its historical, architectural, and cultural values.

(f) Standards and guidelines?means the federal secretary's standards for rehabilitation and guidelines for rehabilitating historic buildings set forth in, and authorized by, 36 C.F.R. §7.7.

(g) Tax credit?means a credit against a federal tax as allowed by section 47(a)(2) of the internal revenue code of 1990, 26 U.S.C. §47, or against a state tax as allowed by section 266 of 1967 PA 281, MCL 206.266, or section 39c of 1975 PA 228, MCL 208.39c.

(2) A word or term defined in section 266 of 1967 PA 281, MCL 206.266, or section 39c of 1975 PA 228, MCL 208.39c, has the same meaning when used in these rules.

History: 2000 MR 5, Eff. Apr. 27, 2000

R 206.153 Preliminary information.

Rule 3. A person who owns or leases a resource which the person believes to be a historic resource and which, if rehabilitated, could qualify the person for a tax credit may communicate with the Michigan historical center and request information on a preliminary basis with respect to whether the resource is historic, whether a rehabilitation plan appears to conform with standards and guidelines, or whether completed rehabilitation appears to conform with standards and guidelines.

History: 2000 MR 5, Eff. Apr. 27, 2000

R 206.154 Certification; historic significance.

Rule 4. (1) A person who is eligible to apply for a tax credit shall first submit an application to the center for certification of historic significance of the person's possible historic resource. If the person is eligible to claim a federal tax credit or both federal and state tax credits, then the person shall apply on a historic preservation certification application prescribed by the national park service. The person shall also file, at the same time, a declaration of location and other project information prescribed by the Michigan historical center. If the person is eligible to claim a state tax credit exclusively, then the person shall apply only on a

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historic preservation certification application prescribed by the center. The person shall file 2 copies of each application and declaration.

(2) An application shall contain the information requested in the application. The application shall include, but is not limited to, all of the following information:

(a) Name and mailing address of each owner or long-term lessee, if any, seeking the credit.

(b) Common modern name and historic name, if any, of the resource.

(c) Address of the resource.

(d) Name of the historic district, if applicable.

(e) All of the following photographs:

(i) Current photographs of the resource.

(ii) Photographs of the building or structure, site, and landscaping before alteration.

(iii) Photographs showing the property in conjunction with adjacent properties and structures along the streetscape.

(iv) A photograph of each distinct interior space, such as a room, and each significant interior feature.

(f) A brief description of the resource, including major alterations, distinctive features and spaces, and dates of construction activity.

(g) A brief statement of significance, summarizing how the resource reflects historical values, including the values that may give a designated historic district its distinctive character.

(h) A map clearly locating the resource in a local unit or in an established historic district.

(i) The social security number or federal taxpayer identification number of each applicant.

(j) The signature of each applicant.

(3) Together with the application, an applicant shall submit only attachments that the center deems necessary to perform an evaluation and a determination. The center shall notify an applicant, in writing, if additional information or materials are required. If the center notifies the applicant of the need for additional information or materials, then the center shall refrain from processing the application until the requested information or materials, or both, have been furnished.

(4) Upon receipt of a complete and adequately documented application and a declaration, if applicable, the center, within 45 days of receipt, shall review the submission to determine the eligibility of a possible historic resource for participation in the federal or state tax credit program, or both. The center shall also evaluate the significance and status of the possible historic resource, including whether it qualifies as a historic resource for purposes of the federal and state tax credit programs.

(5) Upon completion of an evaluation and determination of historic significance, including an evaluation of whether a resource is a historic resource and, if so, whether the historic resource is located in an eligible location, the center shall directly, or through the federal secretary, notify the applicant, in writing, of its determination on the application for historic significance certification.

History: 2000 MR 5, Eff. Apr. 27, 2000

R 206.155 Certification; rehabilitation plan.

Rule 5. (1) To initiate a review of a rehabilitation plan for certification purposes, a person shall complete part 2 of the historic preservation certification application prescribed by the national park service or part 2 of the historic preservation certification application prescribed by the Michigan historical center, whichever is appropriate, and submit 2 copies of the application to the center. The applicant shall pay the fee as prescribed in 36 C.F.R. §7.11 for a federal application before receipt of a certification on part 2 of a federal application. In each instance, the applicant shall attach to the application adequate supporting documentation and photographs deemed sufficient by the center to document the interior and exterior appearance of a structure, its site, and environment before the commencement of rehabilitation. The applicant shall furnish any additional documentation, such as window surveys or masonry cleaning specifications, requested by the center. In addition, the applicant shall include the applicant's social security number or federal taxpayer identification number, as appropriate, on the application. Each applicant shall sign the application. Verification of the resource's state equalized value shall accompany the application. Plans for adjacent, attached, or related new construction shall also accompany the application.

(2) Upon receipt of a complete and adequately documented part 2 of an application as described in subrule (1) of this rule, the center within 45 days shall review the submission to determine whether the applicant's

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rehabilitation plan meets the federal secretary's standards and guidelines. If the center deems that additional information or documentation is needed to evaluate the submission, then the center shall notify the applicant in writing and shall refrain from processing the application until the information or documents, or both, have been furnished. To qualify for certification, a proposed rehabilitation plan shall comport with each element of the secretary's 10 standards, to the extent applicable.

(3) If the application is prescribed by the center and the center determines that a rehabilitation plan does not meet the federal secretary's standards and guidelines, then the center shall notify the applicant, in writing, of the determination. Where possible, the center shall also advise the applicant, by means of an explanatory letter, of the revisions necessary to meet the standards and guidelines. An applicant, upon receipt of written notice, may revise the rehabilitation plan and resubmit a revised proposed plan to the center. The center shall refrain from processing the application further until the necessary revisions have been made and furnished.

(4) If the center determines that a rehabilitation plan meets the federal secretary's standards and guidelines, then the center shall directly, or through the federal secretary, notify the applicant, in writing, of the determination.

History: 2000 MR 5, Eff. Apr. 27, 2000

R 206.156 Certification; completed rehabilitation.

Rule 6. (1) To initiate a review of completed rehabilitation, a person shall complete the request for certification of completed work?portion of the historic preservation certification application prescribed by the national park service or the comparable portion of the historic preservation certification application prescribed by the Michigan historical center, whichever is appropriate, and submit 2 copies of the application to the center. The applicant shall pay the fee as prescribed in 36 C.F.R. §7.11 for a federal application or as prescribed in R 206.157 for a state application, whichever is appropriate, before issuance of a certification regarding completed rehabilitation. The application shall include the project completion date, the social security number or federal taxpayer identification number of the applicant, and a signed statement that the completed rehabilitation is consistent with part 2 of the application and meets the federal secretary's standards and guidelines. The application shall be accompanied by photographs adequate to document the completed rehabilitation.

(2) Upon receipt of a complete and adequately documented request for certification of completed work and other items as described in subrule (1) of this rule, the center, within 45 days of receipt, shall perform a review to determine whether the completed rehabilitation conforms with the rehabilitation plans and plan amendments, if any, and meets the federal secretary's standards and guidelines. The center shall determine conformance to the standards and guidelines on the basis of application documentation and other available information showing the historic resource as it existed in its historic setting. To qualify for certification, the completed rehabilitation work shall comport with each element of the secretary's 10 standards, to the extent applicable.

(3) If the center determines that the rehabilitation does not meet the federal secretary's standards and guidelines, then the center, directly or through the federal secretary, shall notify the applicant of the determination in writing. The center may require changes in the rehabilitation that enable the rehabilitation to meet the federal standards and guidelines. The center shall refrain from processing the application further until the required changes in the rehabilitation have been made.

(4) If the center determines that the rehabilitation meets the federal secretary's standards and guidelines, then the center shall, directly or through the federal secretary, notify both the applicant and the Michigan department of treasury of the determination.

History: 2000 MR 5, Eff. Apr. 27, 2000

R 206.157 Fees.

Rule 7. (1) An applicant who submits a historic preservation certification application prescribed by the national park service is responsible for the payment of fees in the amount, and to the office, prescribed in 36 C.F.R. §7.11.

(2) An applicant who submits a historic preservation certification application prescribed by the Michigan historical center is responsible for payment of fees in the amount, and to the office, prescribed in subrule (3)

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of this rule. An applicant shall not make payment until the center requests payment. An applicant shall make a check or other instrument payable to the State of Michigan." The center shall not make a certification decision until the appropriate remittance has been received. All fees are nonrefundable.

(3) An applicant shall remit fees to the center on the basis of the following fee schedule:

| Fee | Size of rehabilitation |
|------------|-------------------------------|
| No fee | \$0.00 to \$999.00. |
| \$25.00 | \$1,000.00 to \$3,999.00. |
| \$100.00 | \$4,000.00 to \$9,999.00. |
| \$250.00 | \$10,000.00 to \$19,999.00. |
| \$500.00 | \$20,000.00 to \$99,999.00. |
| \$800.00 | \$100,000.00 to \$499,999.00. |
| \$1,500.00 | \$500,000.00 to \$999,999.00. |
| \$2,500.00 | \$1,000,000.00 or more. |

(4) An applicant who submits a declaration of location as prescribed in R 206.154 shall submit a processing fee of \$25.00. An applicant shall make a check or other instrument payable to the State of Michigan. All processing fees are nonrefundable.

History: 2000 MR 5, Eff. Apr. 27, 2000

R 206.158 Inspection; revocation.

Rule 8. (1) The center may conduct an inspection of a historic resource at any reasonable time within 5 years after completion of rehabilitation.

(2) The center may issue a revocation of a certification, after giving the applicant 30 days' written notice, if the center determines that a rehabilitation was not undertaken in conformity with the federal secretary's standards and guidelines or if the applicant, after obtaining certification, undertook further unapproved work inconsistent with the standards and guidelines. The center shall notify the department of treasury of a revocation issued under this subrule. The department of treasury shall determine the Michigan tax consequences of a revocation of certification, if any. An applicant may appeal a revocation of certification under this subrule under R 206.159.

(3) The owner or lessee of a certified historic resource shall notify the center if a property has been damaged, altered, or otherwise substantially changed after issuance of a certification of historic significance. Upon receipt of notice and upon further investigation, the center may issue a revocation of historic certification. The center shall furnish a copy of the revocation of certification to the department of treasury. The department of treasury shall determine the Michigan tax consequences of a revocation of certification, if any. The owner or lessee of a resource may appeal a revocation of certification under this subrule under R 206.159.

History: 2000 MR 5, Eff. Apr. 27, 2000

R 206.159 Appeals.

Rule 9. (1) A person may appeal a denial of an application for certification submitted under these rules or a revocation issued under R 206.158. If the appeal involves a historic preservation certification application prescribed by the national park service, then the appellant shall follow the procedures set forth in 36 C.F.R. §7.10. If the appeal involves a historic preservation certification application, letter of declaration prescribed by the Michigan historical center, or a revocation issued under R 206.158, then the appellant shall follow the procedures prescribed in this rule.

(2) To file an appeal under this rule, an appellant shall submit a written appeal that specifically states the word "appeal" and identifies the reason or reasons for reversal of the denial. For an appeal to be considered, the appellant shall file the appeal within 60 days of the appellant's receipt of the decision that is the subject of the appeal. The appeal shall be addressed to the Chief Appeals Officer, Michigan Historical Center, Michigan Department of State, 717 W. Allegan Street, Lansing, MI 48918-1800. All information, records, and other materials that the appellant wants considered shall accompany the written appeal.

(3) The chief appeals officer shall contact the center and obtain a copy of the center's official file on the

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application at issue. The officer shall consider all of the following, but shall not conduct a hearing:

- (a) The center's file.
 - (b) All written submissions from the appellant.
 - (c) All pertinent standards and guidelines affecting the historic resource.
 - (d) Any other available information.
- (4) Within 60 days, the officer shall prepare a written decision and shall furnish a copy of the decision to the appellant and the center. An appeal constitutes an administrative review of the denial and is not conducted as a contested case proceeding.
- (5) When considering an appeal, the chief appeals officer shall assess alleged errors in professional judgment and other alleged prejudicial errors of fact or law. The officer may base a decision in whole or in part on matters or factors not addressed in the appealed decision. When rendering a decision, the officer may do 1 of the following:
- (a) Reverse the appealed decision.
 - (b) Affirm the appealed decision.
 - (c) Resubmit the matter for further consideration.
- (6) The decision of the chief appeals officer is the final decision on the appeal. A person may not be deemed to have exhausted his or her administrative remedies with respect to the certifications governed by these rules until the chief appeals officer has issued a final administrative decision under these rules.

History: 2000 MR 5, Eff. Apr. 27, 2000

R 206.160 Sale or transfer of resource; notification.

Rule 10. If a person has received a certification under these rules and sells or otherwise transfers the person's historic resource within 5 years of receipt of certification, then the person shall notify the Michigan historical center and the department of treasury of the sale or transfer.

History: 2000 MR 5, Eff. Apr. 27, 2000

DEPARTMENT OF TREASURY
COLLECTION DIVISION
MOTOR FUEL TAX

R 207.5

Source: 1997 AACS.

R 207.6

Source: 1997 AACS.

R 207.12

Source: 1997 AACS.

R 207.15

Source: 1997 AACS.

R 207.16

Source: 1997 AACS.

SALES, USE, AND WITHHOLDING TAXES DIVISION
STATE CONVENTION FACILITY DEVELOPMENT TAX

R 207.101

Source: 1987 AACS.

R 207.102

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Source: 1987 AACS.

R 207.103

Source: 1987 AACS.

R 207.104

Source: 1987 AACS.

R 207.105

Source: 1987 AACS.

R 207.106

Source: 1987 AACS.

R 207.107

Source: 1987 AACS.

R 207.108

Source: 1987 AACS.

R 207.109

Source: 1987 AACS.

R 207.110

Source: 1987 AACS.

AIRPORT PARKING TAX

R 207.121

Source: 1989 AACS.

R 207.122

Source: 1989 AACS.

R 207.123

Source: 1989 AACS.

R 207.124

Source: 1989 AACS.

R 207.125

Source: 1989 AACS.

R 207.126

Source: 1989 AACS.

R 207.127

Source: 1989 AACS.

R 207.128

Source: 1989 AACS.

R 207.129

Source: 1989 AACS.

R 207.130

Source: 1989 AACS.

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STATE TAX COMMISSION

GENERAL RULES

PART 1. GENERAL PROVISIONS

R 209.1

Source: 1982 AACS.

R 209.3

Source: 1982 AACS.

R 209.7

Source: 1982 AACS.

R 209.9

Source: 1982 AACS.

R 209.10

Source: 1997 AACS.

R 209.11

Source: 1982 AACS.

R 209.12

Source: 1982 AACS.

R 209.13

Source: 1982 AACS.

R 209.14

Source: 1982 AACS.

R 209.15

Source: 1982 AACS.

R 209.16

Source: 1982 AACS.

R 209.17

Source: 1982 AACS.

R 209.19

Source: 1982 AACS.

PART 2. LOCAL PROPERTY TAXES

R 209.24

Source: 1982 AACS.

R 209.25

Source: 1982 AACS.

R 209.26

Source: 1982 AACS.

R 209.27

Source: 1982 AACS.

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R 209.28

Source: 1982 AACS.

PART 3. SERVICE OF DOCUMENTS

R 209.31—R 209.34

Source: 1997 AACS.

R 209.37—R 209.39

Source: 1997 AACS.

PART 4. EQUALIZATION AND UTILITY ASSESSMENTS

R 209.41

Source: 1982 AACS.

R 209.42

Source: 1982 AACS.

R 209.43

Source: 1982 AACS.

PART 5. INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE

R 209.51

Source: 1982 AACS.

R 209.52

Source: 1982 AACS.

R 209.53

Source: 1982 AACS.

R 209.54

Source: 1982 AACS.

R 209.55

Source: 1982 AACS.

R 209.56

Source: 1982 AACS.

R 209.57

Source: 1982 AACS.

PART 6. COMMERCIAL HOUSING FACILITIES EXEMPTION CERTIFICATE

R 209.61

Source: 1982 AACS.

R 209.62

Source: 1982 AACS.

PART 7. ASSESSMENT OF OMITTED OR ERRONEOUSLY REPORTED PROPERTY

R 209.71

Source: 1984 AACS.

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R 209.72
Source: 1984 AACS.

R 209.73
Source: 1984 AACS.

R 209.74
Source: 1984 AACS.

R 209.75
Source: 1984 AACS.

STATE ASSESSOR'S BOARD

GENERAL RULES

PART 1. GENERAL PROVISIONS

R 211.401
Source: 1995 AACS.

R 211.403
Source: 1983 AACS.

R 211.404
Source: 1995 AACS.

R 211.405
Source: 1995 AACS.

R 211.409
Source: 1995 AACS.

PART 2. TRAINING PROGRAMS AND EXAMINATIONS

R 211.421
Source: 1995 AACS.

R 211.422
Source: 1995 AACS.

R 211.423
Source: 1995 AACS.

R 211.427
Source: 1995 AACS.

PART 3. RATING AND CERTIFICATION

R 211.431
Source: 1995 AACS.

R 211.432
Source: 1995 AACS.

R 211.433
Source: 1995 AACS.

R 211.434

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Source: 1995 AACS.

R 211.435

Source: 1995 AACS.

R 211.437

Source: 1995 AACS.

R 211.439

Source: 1995 AACS.

R 211.441 Certification of equalization directors.

Rule 41. An equalization director shall qualify for a certification at the level of certification assigned to his or her county by the board under R 211.431(1). If a certified assessing officer accepts appointment as a county director of equalization, and if the officer is certified at a level below the certification level required by the state assessor's board for the county, then the state assessor's board shall notify the officer that he or she is not certified at the proper level. The board may revoke an assessing officer's certification in assessment administration if the officer fails to become certified at the proper level.

History: 1954 ACS 78, Eff. Feb. 20, 1974; 1954 ACS 91, Eff. Mar. 23, 1977; 1979 AC; 1979 ACS 13, Eff. Jan. 19, 1983; 1995 MR 10, Eff. Nov. 15, 1995; 2000 MR 6, Eff. May 10, 2000.

R 211.442

Source: 1995 AACS.

R 211.444

Source: 1995 AACS.

PART 4. REVOCATION OR SUSPENSION OF CERTIFICATION

R 211.447

Source: 1995 AACS.

DEPARTMENT OF TRANSPORTATION

BUREAU OF HIGHWAY TECHNICAL SERVICES

DRIVEWAYS, BANNERS, AND PARADES ON AND OVER HIGHWAYS

PART 9. HEARINGS AND APPEALS

R 247.351 Hearing; request; time; notice; effective date of driveway permit revocation.

Rule 151. (1) After a permit application has been denied, before the department may revoke a driveway permit for failure to comply with any provision of the permit, or when the department has issued a notice of violation of these rules under section 7 of Act No. 200 of the Public Acts of 1969, as amended, being 247.327 of the Michigan Compiled Laws, a person or agency has the right to a hearing before a hearing officer in accordance with Act No. 306 of the Public Acts of 1969, as amended, being 24.201 et seq. of the Michigan Compiled Laws. However, a prior hearing before a hearing officer is not required in the case of a summary suspension as provided in section 92 of Act No. 306 of the Public Acts of 1969, as amended, being 24.292 of the Michigan Compiled Laws. A person shall file a written request for hearing with the department within 30 days after mailing or delivery, whichever occurs first, of the denial of application, notice of intent to revoke a permit, or notice of violation.

(2) The department shall hold a hearing not less than 30 days after the request is received by the department, unless good cause is shown by either party. The department shall notify the person or agency of the hearing date, time, and place not less than 10 days before the hearing.

(3) The department shall give notice of the hearing and shall conduct the hearing in accordance with Act No.

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306 of the Public Acts of 1969, as amended, being 24.201 et seq. of the Michigan Compiled Laws.

(4) In the absence of a hearing request, a driveway permit revocation is effective 30 days after mailing or delivery of a notice of intent to revoke the permit, whichever occurs first. If, as the result of a hearing held under these rules, the decision of the hearing officer affirms the department's revocation of a driveway permit, then the revocation shall be effective on the date specified in the order issued by the hearing officer.

History: 1954 ACS 64, Eff. Nov. 6, 1970; 1979 AC; 1998 MR 11, Eff. Nov. 30, 1998.

R 247.352 Hearing representation.

Rule 152. A person may represent himself or herself at a hearing or be represented by legal counsel. The department may be represented by the attorney general.

History: 1954 ACS 64, Eff. Nov. 6, 1970; 1979 AC; 1998 MR 11, Eff. Nov. 30, 1998.

R 247.353 Rescinded.

History: 1954 ACS 64, Eff. Nov. 6, 1970; 1979 AC; rescinded 1998 MR 11, Eff. Nov. 30, 1998.

R 247.354 Rescinded.

History: 1954 ACS 64, Eff. Nov. 6, 1970; 1979 AC; rescinded 1998 MR 11, Eff. Nov. 30, 1998.

R 247.355 Rescinded.

History: 1954 ACS 64, Eff. Nov. 6, 1970; 1979 AC; rescinded 1998 MR 11, Eff. Nov. 30, 1998.

R 247.356 Rescinded.

History: 1954 ACS 64, Eff. Nov. 6, 1970; 1979 AC; rescinded 1998 MR 11, Eff. Nov. 30, 1998.

R 247.357 Rehearing and appeals.

Rule 157. (1) The department may order a rehearing in a contested case on its own motion or on request of a party. The decision to order a rehearing is discretionary with the department.

(2) A person shall file a request for rehearing within the time fixed by section 87 of Act No. 306 of the Public Acts of 1969, as amended, being 24.287 of the Michigan Compiled Laws. The department shall give notice of the rehearing and shall conduct the rehearing in accordance with section 87 of Act No. 306 of the Public Acts of 1969, as amended, being 24.287 of the Michigan Compiled Laws.

(3) A person may appeal a final decision or order of the department to the circuit court in the manner and within the time periods provided by chapter 6 of Act No. 306 of the Public Acts of 1969, as amended, being 24.301 to 24.306 of the Michigan Compiled Laws.

History: 1954 ACS 64, Eff. Nov. 6, 1970; 1979 AC; 1998 MR 11, Eff. Nov. 30, 1998.

R 247.358 Delegation of authority.

Rule 158. Pursuant to section 79 of Act No. 306 of the Public Acts of 1969, as amended, being 24.279 of the Michigan Compiled Laws, the department may designate and authorize 1 or more persons to serve as hearing officers and preside in hearings of contested cases held under these rules. The department may confer on the hearing officers authority to make the final administrative decision from which further review shall be sought in circuit court under Act No. 306 of the Public Acts of 1969, as amended, being 24.201 et seq. of the Michigan Compiled Laws.

History: 1998 MR 11, Eff. Nov. 30, 1998.

DEPARTMENT OF TRANSPORTATION
BUREAU OF HIGHWAYS
SEASONAL COUNTY ROADS

R 247.651

Source: 1982 AACS.

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R 247.652
Source: 1982 AACS.

R 247.653
Source: 1982 AACS.

R 247.654
Source: 1982 AACS.

R 247.655
Source: 1982 AACS.

R 247.656
Source: 1982 AACS.

R 247.657
Source: 1982 AACS.

R 247.658
Source: 1982 AACS.

R 247.659
Source: 1982 AACS.

R 247.660
Source: 1982 AACS.

ADVERTISING ADJACENT TO HIGHWAYS

PART 4. HEARINGS AND APPEALS

R 247.741
Source: 1997 AACS.

R 247.742
Source: 1997 AACS.

R 247.743
Source: 1997 AACS.

R 247.744
Source: 1997 AACS.

R 247.745
Source: 1997 AACS.

R 247.746
Source: 1997 AACS.

R 247.747
Source: 1997 AACS.

R 247.748
Source: 1997 AACS.

**OFFICE OF TRANSPORTATION SAFETY AND TARIFFS
INTRASTATE RAILROAD RATES**

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PART 1. GENERAL PROVISIONS

R 247.3101—R 247.3113

Source: 1997 AACS.

PART 2. INVESTIGATION AND SUSPENSION OF RATES

R 247.3201—R 247.3227

Source: 1997 AACS.

PART 3. COMPLAINTS AGAINST THE REASONABLENESS OF RAILROAD RATES

R 247.3301—R 247.3313

Source: 1997 AACS.

PART 4. CONTRACTS

R 247.3401—R 247.3422

Source: 1997 AACS.

DEPARTMENT OF TRANSPORTATION

BUREAU OF URBAN AND PUBLIC TRANSPORTATION

COMPREHENSIVE TRANSPORTATION FUND

PART 1. GENERAL PROVISIONS

R 247.4101 Definitions.

Rule 101. (1) As used in these rules:

- (a) "Accessibility plan" means the vehicle accessibility plan that is required by the accessibility sections of the act.
- (b) "Accessible vehicles" means lift or ramp equipped vehicles.
- (c) "Act" means sections 10(1), 10b to 10e, 10g, 10h, 10j, 10n, 14(5), and 18b(4) of Act No. 51 of the Public Acts of 1951, as amended, being §§247.660(1), 247.660b to 247.660e, 247.660g, 247.660h, 247.660j, 247.660n, 247.664(5), and 247.668b(4) of the Michigan Compiled Laws.
- (d) "Applicant" means any 1 of the following:
 - (i) A local public transportation provider, which is an eligible authority or eligible governmental agency as defined by the act.
 - (ii) An intercity passenger carrier, which is defined as a person, corporation, or other entity that is authorized by federal law or pursuant to Act No. 432 of the Public Acts of 1982, as amended, being §474.101 et seq. of the Michigan Compiled Laws, to transport passengers for hire and that may also transport other items.
 - (iii) A port authority as defined by Act No. 639 of the Public Acts of 1978, as amended, being §120.101 et seq. of the Michigan Compiled Laws.
 - (iv) An intercity freight carrier, which is defined as a person, corporation, or other entity identified in Act No. 295 of the Public Acts of 1976, as amended, being §474.51 et seq. of the Michigan Compiled Laws, that would establish, improve, or support facilities or services for intercity freight transportation purposes.
 - (v) Other eligible entities included in the general functions of the state transportation department section of the act.
- (e) "Application instructions" means the document which is issued by the department to local public transportation and intercity passenger transportation applicants and which describes the information an applicant must submit to the department to participate in the state transportation program in the following state fiscal year

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- (f) "Commission" means the Michigan state transportation commission or its successor.
 - (g) "Department" means the Michigan department of transportation or its successor.
 - (h) "Director" means the director of the department or a person who is designated to act as the director.
 - (i) "Expand" means to provide for new facilities or new services.
 - (j) "FTA" means the United States department of transportation federal transit administration or its successor.
 - (k) "Improve" means to enhance existing facilities.
 - (l) "Local public transportation" means services, facilities, and equipment, including local bus service, water vehicle services, and local passenger rail services, and which are operated by an eligible authority or an eligible governmental agency as established in R 247.4103.
 - (m) "Persons who have disabilities" means an individual who has a physical or mental impairment that substantially limits one or more of the major life activities of such individual, a record of such an impairment, or being regarded as having such an impairment.
 - (n) "Port authority operating budget" means the expenses identified in Act No. 639 of the Public Acts of 1978, as amended.
 - (o) "Preserve" means to maintain the current status of existing facilities, excluding routine maintenance expenses.
 - (p) "Project" means an activity which is funded or to be funded from the comprehensive transportation fund or from the proceeds of bonds and which is budgeted and managed as a separate entity.
 - (q) "Public" means all persons, regardless of age, sex, color, race, creed, national origin, or persons who have disabilities.
 - (r) "Public notice" means an advertisement that is placed in at least 1 newspaper of general circulation which serves the area affected by the program.
 - (s) "Recipient" means an applicant as defined in subdivision (d) of this subrule.
 - (t) "Rehabilitation" means the labor, equipment, and materials that are necessary to repair or improve and extend the useful life of public transportation vehicles, equipment, or facilities for specified rehabilitation projects.
 - (2) The terms defined in the act have the same meanings when used in these rules.
- History: 2000 MR 6, Eff. May 11, 2000.

R 247.4102 Local public transportation and intercity passenger transportation financial assistance programs; submittal and approval process.

- Rule 102. (1) The department shall make application instructions available to all prospective local public transportation and intercity passenger transportation applicants and other interested parties. The application instructions shall contain the items required by the act.
- (2) The department shall update the application instructions each year. The department may issue amended application instructions based upon programmatic or funding changes.
- (3) A local public transportation and intercity passenger transportation applicant shall file an application with the department. An application shall contain all of the information required in the application instructions.
- (4) A local public transportation and intercity passenger transportation applicant shall give public notice of its intent to apply for comprehensive transportation funds according to the act. A local public transportation and intercity passenger transportation applicant shall transmit all comments it receives to the department. The public notice shall include all of the following information:
- (a) The amount of funding requested.
 - (b) The operating and capital program that the local public transportation and intercity passenger transportation applicant proposes to undertake with the funds.
 - (c) The location where the application may be reviewed.
- (5) The department shall review the applications and transmit comments to each local public transportation and intercity passenger transportation applicant.
- (6) Each local public transportation and intercity passenger transportation applicant shall provide any additional information that is requested and responses that are related to subrule (5) of this rule.

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(7) The department shall approve, modify, or reject all or any portion of an application by written notification to the local public transportation and intercity passenger transportation applicant setting forth its reasons for approval, modification, or rejection. The applicant may appeal any approval, modification or rejection of the application to an appeals officer as appointed by the director of the department. The department may modify or reject all or any portion of a local transportation or intercity passenger program if any 1 of the following situations occurs:

(a) A local public transportation and intercity passenger transportation applicant fails to submit an application as outlined by the application instructions provided under subrule (1) of this rule and application sections of the act or fails to comply with the requirements prescribed in the act.

(b) The total estimated revenues available for comprehensive transportation fund programs are exceeded by the sum of all funding that is requested in the applications received for the state fiscal year.

(c) The department determines that a proposed project requires further justification.

(d) The eligible authority or eligible governmental agency has failed to develop and implement plans, programs, and services, or use appropriate equipment, to provide public transportation for the elderly and persons who have disabilities as set forth in the provisions of R 247.4201 to R 247.4203.

(8) A local public transportation and intercity passenger transportation applicant shall notify the department of a proposed change in an initial or amendatory application for federal funds that would require an increase or decrease of the state financial commitment.

(9) A local public transportation and intercity passenger transportation applicant shall provide the department with a copy of any federal application for capital or operating assistance at the time an initial or amendatory application is filed with the federal government.

(10) The department may administratively fund the first 3 years of new services using the funding limits and provisions established in the operating grants to eligible authorities and eligible governmental agencies section of the act.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4103 Eligibility; documentation required.

Rule 103. To establish eligibility, an applicant shall submit documentation, as applicable, to the department as follows:

(a) A local public transportation applicant shall submit documentation under R 247.4104 and both of the following provisions:

(i) Documentation that the applicant or its designated service provider is legally furnishing, or has the legal capacity to furnish, public transportation services in the area.

(ii) Documentation that the applicant has been established according to state law.

(b) A local public transportation applicant that has previously submitted the materials in subdivision (a) of this rule shall certify annually, in the resolution of intent required by R 247.4104, that changes in eligibility documentation have not occurred during the past state fiscal year. Any change shall be submitted to the department as part of the application required under R 247.4102.

(c) An intercity passenger carrier applicant shall submit both of the following:

(i) Documentation that the applicant is legally furnishing, or has the legal capacity to furnish, public transportation services.

(ii) A company letter signed by an authorized company representative that names an official representative of the applicant for all public transportation matters who is authorized to provide information that is required by the commission or department for its administration of the act.

(d) An intercity freight carrier applicant shall submit the name of an official representative of the applicant who is authorized to provide information that is required by the commission or department for its administration of the act.

(e) A port authority applicant shall submit all of the following documentation and information:

(i) Documentation that the applicant has been created under Act No. 639 of the Public Acts of 1978, as amended, being §120.101 et seq. of the Michigan Compiled Laws.

(ii) Adopted bylaws and articles of incorporation that indicate the specific duties, functions, and powers of the applicant.

(iii) The name of an official representative of the applicant who is authorized to provide information that is

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required by the commission or department for its administration of the act.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4104 Resolution of intent.

Rule 104. A local public transportation applicant shall annually enact a resolution of intent as described in the application instructions to participate in the comprehensive transportation fund. The resolution shall provide for all of the following:

- (a) Indicate that the budget for the local transportation program is balanced and specify the sources and amount of estimated revenues that support the proposed expenditures.
- (b) Name an official representative of the applicant for all public transportation matters who is authorized to provide such information as deemed necessary by the commission or department for its administration of the act.
- (c) Certify that changes in eligibility documentation have not occurred during the past state fiscal year.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4105 Eligible and ineligible expenses for local public transportation and intercity passenger transportation; determination of distribution of comprehensive transportation funds to intercity passenger carriers.

Rule 105. (1) Eligible and ineligible expense and revenue definitions for local public transportation operating assistance or water vehicle operating assistance that are funded under the act shall be annually included in the annual application instructions provided by the department. The expense and revenue estimates submitted and agreed to in the approved annual application from the eligible authorities and eligible governmental agencies shall be in agreement with the annual application instructions.

(2) Eligible and ineligible expenses for intercity passenger transportation operating assistance that are funded under the act shall be as agreed upon in the executed contractual agreement.

(3) Eligible capital costs, defined as any unit that has a cost of more than \$300.00 and a useful life of more than 1 year, that are funded under the act and bond funds for local public transportation projects and for intercity passenger carrier projects include all of the following:

- (a) Acquisition.
- (b) Purchase.
- (c) Lease or lease-purchase.
- (d) Construction.
- (e) Rehabilitation.
- (f) Operating expenses allowed by the federal government in an executed federal capital contract

(4) All programs shall have project costs defined in the contractual agreement.

(5) An applicant may submit any operating or capital cost that is not specified in the application instructions to the department, in writing, for a determination as to eligibility. The department shall notify all recipients, in writing, upon the issuance of a determination of eligibility and specify the effective date.

(6) A determination of eligibility is not funding approval.

(7) In determining the distribution of comprehensive transportation funds to be made to intercity passenger carriers under the act, the department shall award operating assistance projects by a competitive or negotiated bid process and shall award capital projects by application.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4106 Eligible and ineligible expenses for intercity freight projects and port authority operating budgets.

Rule 106. (1) Eligible capital costs for rail freight projects that are funded under the act and bond funds are as follows:

- (a) Activities to preserve, improve, or expand state-owned facilities.
- (b) Activities or loans to improve or expand privately owned freight facilities.
- (c) Activities, loans, or grants to improve or expand freight facilities to better serve economic development within Michigan.

(2) Eligible costs for port authority operating budgets are as defined in R 247.4101(l).

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(3) A determination of eligibility is not funding approval.

(4) An applicant may submit any operating or capital cost that is not specified in subrules (1) through (3) of this rule to the department, in writing, for a determination as to eligibility. The determination shall take effect upon receipt of notification by the recipients, unless the determination is appealed to the commission.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4107 Local public transportation cost allocation plan.

Rule 107. (1) A recipient shall submit, to the department for its approval, a cost allocation plan for general and administrative overhead costs if both of the following conditions apply:

(a) The local public transportation recipient receives funds for eligible operating expenses under the act.

(b) One of the following conditions applies:

(i) A recipient has joint costs with a unit or units of government or has employees who simultaneously work for other governmental agencies.

(ii) A recipient has multiple funding sources that require separate accounting.

(iii) A recipient provides services to outside agencies, including transit agencies.

(2) Specialized services agencies, as described in the act, are exempt from the provisions of this rule.

(3) A recipient shall submit the cost allocation plan in narrative form. The cost allocation plan shall describe the methodology used.

(4) A recipient shall submit an amended plan to the department within 60 days after any change in conditions as described in subrule (1)(b) of this rule.

(5) A recipient's independent certified public accountant shall note in the recipient's annual financial and compliance audit whether the actual cost allocation is in compliance with the cost allocation plan that was submitted to the department.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4108 Rescission.

Rule 108. R 247.801 to R 247.814 of the Michigan Administrative Code, appearing on pages 721 to 727 of the 1979 Michigan Administrative Code, are rescinded.

History: 2000 MR 6, Eff. May 11, 2000.

PART 2. ACCESSIBILITY PLAN

R 247.4201 Accessibility plan; content; amendment.

Rule 201. (1) Each applicant seeking comprehensive transportation funds to purchase, lease, or rent demand-actuated vehicles shall prepare and submit an accessibility plan to the department as a part of its application.

(2) An accessibility plan shall include all of the following information and items:

(a) The number of demand-actuated vehicles that are presently in service, including loaner vehicles, that were purchased with comprehensive transportation fund monies, and the number of demand-actuated accessible vehicles.

(b) The number of demand-actuated vehicles in the anticipated fleet, including the number of demand-actuated accessible vehicles.

(c) The current definitions of the elderly and persons who have disabilities that are used by the applicant, and the total number of the elderly and persons who have disabilities in the service area.

(d) The current fare structure that is in use for the elderly, persons who have disabilities, and the rest of the general public for both fixed schedule and fixed route service, if applicable, and for demand-actuated public transportation service.

(e) A narrative description of the process that the applicant used to develop the accessibility plan. The narrative shall include a description of the local advisory council involvement in the development and review of the accessibility plan.

(f) A map and narrative description of the service area, as of the plan submission date, for fixed schedule and fixed route service, if applicable, and for demand-actuated public transportation service.

(g) The current service schedule, including hours per day and days of the week, for both fixed schedule and

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fixed route service, if applicable, and for demand-actuated public transportation service.

(h) A narrative description of how the information required in subrule (2)(g) of this rule is made available in alternate formats to persons who have disabilities.

(i) Whether transit vehicles are available for use during hours or days other than regular service hours or days and confirmation that accessible transit vehicles are available for use by the elderly and persons who have disabilities to the same extent as the general public.

(j) Whether the elderly, persons who have disabilities, and the general public must make an advance request to obtain demand-actuated public transportation service and the advance request time period.

(k) A narrative description of constraints on capacity and restrictions on trip purpose.

(l) A narrative summarization for the number of demand-actuated vehicles requested and, within the total number requested, the number of accessible vehicles, including the applicant's reasons for the number of accessible vehicles.

(m) Comments of the local advisory council.

(n) The applicant's response to local advisory council comments.

(o) The official transmittal letter from the applicant to the department.

(3) Each applicant shall prepare and submit an amendment with their annual application for funding. An amendment is also required when proposed changes occur after the application has been submitted. These include material changes in the plan contents made under subrule (2) of this rule. Amendments shall be submitted on a form provided in the annual application instructions which includes the Americans with Disabilities Act of 1990 certification. An amendment is not necessary for changes regarding department loaned vehicles.

(4) All plan amendments shall include the documents that are required under subrule (2)(m) and (n) of this rule as well as a written description of the changes from a previously approved accessibility plan.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4202 Accessibility plan local advisory council composition.

Rule 202. (1) A local advisory council shall be composed and structured in such a manner so as to facilitate an independent objective assessment of the accessibility plan by persons in the service area.

(2) An applicant shall have a local advisory council established and appointed. The council shall consist of not less than 3 members.

(3) Local advisory council members shall not be employees of the applicant and shall not be members of the applicant's executive committee or governing board.

(4) Each applicant shall include, with the accessibility plan, a list of council members and their affiliations. The applicant shall identify the members who are persons who have disabilities, are 65 years of age or older, or are representatives of persons who have disabilities or are 65 years of age or older.

(5) Each applicant shall ensure that 50% of the membership will represent persons who are 65 years of age or older and persons who have disabilities within the service area and, jointly with the area agency on aging, shall approve at least 1 member, or the equivalent of 12% of the membership, of the local advisory council. The applicant shall ensure that the membership will include people who have diverse disabilities and the elderly who are users of public transportation.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4203 Accessibility plan review and approval process.

Rule 203. The department shall process an accessibility plan in accordance with both of the following procedures:

(a) The department shall, within 60 days after submission of the accessibility plan, do either of the following:

(i) Approve the accessibility plan as submitted or amended.

(ii) Reject the accessibility plan as submitted and make recommendations to the applicant for modifications.

(b) A plan that is not approved or rejected by the department within 60 days after submission is considered approved as submitted.

History: 2000 MR 6, Eff. May 11, 2000.

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PART 3. REPORTING AND COMPLIANCE REQUIREMENTS

R 247.4301 Financial and compliance audits.

Rule 301. (1) A recipient of funds under the local public transportation operating grants section and the new services section of the act shall provide, to the department, an annual financial and compliance audit report and management letter within 120 calendar days from the end of the local fiscal year. The report shall include a response certified by an independent certified public accountant in accordance with the department's and the Michigan department of treasury's audit guide. The Department may grant an extension of up to 60 days upon receipt of a written request.

(2) Failure to comply with the audit section of the act may result in the withholding of local public transportation operating grants and new services grants under the act as required under the withholding section of the act and R 247.4303.

(3) The department shall audit a recipient of funds under sections other than the local public transportation operating grants and new services grants sections of the act in accordance with the contract entered into by the recipient and the department.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4302 Local public transportation progress report.

Rule 302. (1) Not later than 40 calendar days after the end of each state fiscal year, a recipient of funds under the local public transportation operating grants and new services sections of the act shall file an annual local public transportation progress report to enable a preliminary closeout of the statutory distribution and the new services distribution after the third year.

(2) Not later than 40 days after the end of each fiscal quarter, a local public transportation recipient of operating grants and new services grants under the act shall file a quarterly local transportation progress report.

(3) Failure to comply with the quarterly report and the progress report sections of the act may result in the withholding of local public transportation operating grants and new services grants under the act.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4303 Procedures for adjusting or withholding funds.

Rule 303. (1) The department may adjust or withhold project funds that are awarded under the act or may adjust project quantities or alter the project scope under any of the following circumstances:

(a) Federal funds that are necessary for the completion of the project are not awarded to the recipient by the end of the following fiscal year in which the project was approved.

(b) The actual comprehensive transportation fund revenues are below the estimated comprehensive transportation fund revenues on which a project award was made.

(c) The actual cost of the project varies from the estimated costs on which a project award was made.

(d) Revisions to the local transportation programs are requested by a recipient.

(e) The scope of the project is reduced.

(f) A recipient fails to comply with the act.

(g) A recipient fails to maintain project equipment pursuant to the contract.

(2) The department shall notify a recipient, by mail, of a department-initiated action to withhold funds for noncompliance. The notice shall clearly set forth the reasons for the proposed action. The recipient shall have 30 days from the date of issuance of the notice to respond or undertake corrective action. The department may grant an extension if the recipient files a written appeal with the department.

(3) If, within 30 days after the date that the notice of intent to withhold was issued, the recipient has not corrected the reason for the withholding and notified the department of that correction, has not been granted an extension, or has not appealed the action, in writing, to the department and been granted a waiver, then the department shall send the applicant, by certified mail, a notification that funds are being withheld. Withholding of funds shall occur automatically after the notice of withholding is mailed.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4304 Contractual agreements generally.

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Rule 304. (1) A contractual agreement is required for authorized projects that are funded under the comprehensive transportation fund and bond fund sections of the act.

(2) A contractual agreement is not required for authorized local public transportation operating assistance grants under the act.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4305 Third-party contracts; applicability.

Rule 305. (1) A recipient who has not been certified under R 247.4306 and who receives comprehensive transportation funds for projects funded under the act or supplemental appropriations shall comply with the provisions of this rule.

(2) A recipient whose grant is either partially or 100% state-funded and who is certified under R 247.4306 is not required to comply with the provisions of this rule.

(3) Third-party contract processing shall be consistent with commission policy. Approval, when required by commission policy, shall take place before contract execution.

(4) Departmental contractual agreements shall require that a recipient submit any documentation which is related to third-party procurement to the department for information purposes at the request of the department.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4306 Third-party contracts; federal involvement.

Rule 306. (1) A recipient that is considered certified by FTA will be considered certified by the department. If a recipient is decertified by FTA, then the recipient shall immediately notify the department.

(2) The department is responsible for certifications for nonurbanized recipients who utilize department procedures.

(3) The department may request third-party contract documents that are prepared under subrule (1) or (2) of this rule for informational purposes.

(4) A recipient who is unable to, or who elects not to, comply with the provisions of subrule (1) or (2) of this rule and a recipient who has a contractual requirement of department approval shall comply with the provisions of R 247.4305.

History: 2000 MR 6, Eff. May 11, 2000.

R 247.4307 Declaratory rulings.

Rule 307. (1) The department, upon the written request of an interested person, may issue a declaratory ruling as to the applicability of the act or a rule to an actual statement of facts if the person submits a clear and concise statement of the actual statement of facts to the department. An interested person may submit a brief or other reference to legal authorities upon which the person relies for determining the applicability of the act or a rule to the statement of facts.

(2) If the department determines it will issue a declaratory ruling, then it shall furnish the person with a written statement to that effect and shall set forth the time in which it will issue the ruling.

(3) A ruling shall repeat the actual statement of facts and the legal authority on which the department relies for the ruling it makes. A ruling, once issued, is binding on the department, and the department shall not change the ruling retroactively, but may change a ruling prospectively.

History: 2000 MR 6, Eff. May 11, 2000.

DEPARTMENT OF STATE
DRIVER LICENSE APPEAL DIVISION
GENERAL RULES

R 257.31—R 257.39

Source: 1997 AACS.

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**BUREAU OF DRIVER AND VEHICLE RECORDS
SPECIAL FARM VEHICLE PERMIT**

R 257.51
Source: 1997 AACS.

**BUREAU OF BRANCH OFFICE SERVICES
ALL-TERRAIN VEHICLES**

R 257.71
Source: 1987 AACS.

R 257.72
Source: 1987 AACS.

**BUREAU OF AUTOMOTIVE REGULATION
GENERAL RULES**

PART 2. MAJOR AND MINOR REPAIRS

R 257.111
Source: 1991 AACS.

PART 3. REGISTRATION OF FACILITIES

R 257.124a
Source: 1980 AACS.

R 257.124b
Source: 1980 AACS.

PART 7. CERTIFICATION OF MECHANICS

R 257.161
Source: 1996 AACS.

R 257.163
Source: 1996 AACS.

R 257.164
Source: 1996 AACS.

R 257.165
Source: 1991 AACS.

R 257.169
Source: 1996 AACS.

R 257.171
Source: 1988 AACS.

R 257.172
Source: 1996 AACS.

R 257.173

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Source: 1996 AACs.

DEPARTMENT OF STATE
BUREAU OF AUTOMOTIVE REGULATION
LICENSING VEHICLE BROKERS

R 257.181 Definitions.

Rule 1. (1) As used in these rules:

- (a) "Act" means 1949 PA 300, MCL 257.1 et seq.
- (b) "Administrator" means the secretary of state or any person designated by the secretary of state to act in his or her place.
- (c) "Broker" means a person who does not acquire ownership of a vehicle and who, for a consideration, does or offers to do at least 1 of the following with respect to the sale, lease, purchase, or exchange of a vehicle of a type required to be registered under the act and with respect to which he or she does not have title or other legal interest:
 - (i) Brings together a buyer and seller or a lessee and lessor of a vehicle.
 - (ii) Negotiates the terms of a transaction.
 - (iii) Shows or displays a vehicle."Broker" does not include a person employed by a licensed dealer, while acting within the scope of his or her employment.

(2) Terms defined in the act have the same meanings when used in these rules.

History: 1954 ACS 94, Eff. Feb. 8, 1978; 1979 AC; 2000 MR 19, Eff. Nov. 20, 2000.

R 257.182 Address of administrator.

Rule 2. The official address of the administrator for delivery and receipt of all mail, telegrams, information, filings, registrations, applications, and other material required by the act or these rules is:

Department of State
Bureau of Automotive Regulation
Mutual Building - Second Floor
208 N. Capitol Avenue
Lansing, Michigan 48918-1200

History: 1954 ACS 94, Eff. Feb. 8, 1978; 1979 AC; 2000 MR 19, Eff. Nov. 20, 2000.

R 257.183 Declaratory rulings.

Rule 3. (1) The administrator, on written request of an interested person, may issue a declaratory ruling as to the applicability to an actual statement of facts of the act or these rules upon submission of the following:

- (a) A clear and concise statement of the actual statement of facts.
 - (b) If the interested person desires, a brief or other reference to legal authorities upon which he or she relies for determination of the applicability of the act or these rules to the statement of facts.
- (2) A declaratory ruling shall include all of the following:
- (a) The actual statement of facts.
 - (b) The legal authority on which the department relies for its ruling, if any.
 - (c) The ruling it makes.
- (3) A ruling once issued is binding on the administrator and it may not retroactively be changed, but nothing in this rule shall prohibit the administrator from prospectively changing a ruling.

History: 1954 ACS 94, Eff. Feb. 8, 1978; 1979 AC; 2000 MR 19, Eff. Nov. 20, 2000.

R 257.184 Brokering by dealers prohibited.

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Rule 4. The following entities shall not be licensed as, or function as, a broker:

- (a) New vehicle dealer.
- (b) Used or secondhand vehicle dealer.
- (c) Used or secondhand vehicle parts dealer.
- (d) Vehicle scrap metal processor.
- (e) Distressed vehicle transporter.
- (f) Foreign salvage vehicle dealer.
- (g) Automotive recycler.

History: 1954 ACS 94, Eff. Feb. 8, 1978; 1979 AC; 2000 MR 19, Eff. Nov. 20, 2000.

R 257.185 Brokering of new vehicles.

Rule 5. A broker shall, in brokering the sale or lease of new vehicles, deal through a licensed class A dealer in this state.

History: 1954 ACS 94, Eff. Feb. 8, 1978; 1979 AC; 2000 MR 19, Eff. Nov. 20, 2000.

R 257.186 Brokering of used vehicles; requirements.

Rule 6. (1) In brokering the sale or lease of used vehicles, a broker is not required to deal through a licensed vehicle dealer.

(2) In a used vehicle transaction where neither the buyer, seller, lessee, nor lessor is a licensed vehicle dealer, the broker shall apply for title and registration for the vehicle as provided in section 217 of the act and shall submit all taxes that are due on the transaction.

History: 1954 ACS 94, Eff. Feb. 8, 1978; 1979 AC; 2000 MR 19, Eff. Nov. 20, 2000.

R 257.187. Advertising; disclosure of identity required.

Rule 7. If a broker advertises, then the advertisement shall include a disclosure of the advertiser's identity as a broker and his or her dealer license number.

History: 1954 ACS 94, Eff. Feb. 8, 1978; 1979 AC; 2000 MR 19, Eff. Nov. 20, 2000.

R 257.188 Purchase or lease agreement; terms.

Rule 8. (1) before consummation of a sale or lease, a broker who negotiates the sale or lease of a vehicle shall draw up an agreement that shall be in addition to, and shall not differ in its terms from, any other papers, forms, or documents required by the act or otherwise executed between the buyer and the seller or the lessee and lessor of the vehicle. The broker shall retain a copy of the agreement and shall provide copies to each party to the agreement at the time the agreement is signed. The agreement shall be on a form prescribed by the administrator, shall be dated not later than the actual delivery date of the vehicle to the buyer or lessee, and shall contain all of the following information:

- (a) The name and address of the buyer or lessee.
- (b) A description of the vehicle including all of the following information:
 - (i) Make.
 - (ii) Model year.
 - (iii) Vehicle identification number.
 - (iv) Body style.
 - (v) Dealer and factory-installed accessories.
- (c) The name, address, and Michigan dealer license number of the dealer who is purchasing, selling, or leasing the vehicle.
- (d) The name, address, and Michigan dealer license number of the broker.
- (e) Date of delivery.
- (f) Odometer reading and 1 of the following:
 - (i) A statement by the transferor certifying that, to the best of his or her knowledge, the odometer reading reflects the actual mileage of the vehicle.
 - (ii) If the transferor knows that the odometer reading reflects the amount of mileage in excess of the designed mechanical odometer limit, a statement to that effect.
 - (iii) If the transferor knows that the odometer reading differs from the actual mileage and the difference is

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greater than that caused by odometer calibration error, a statement that the odometer reading does not reflect the actual mileage and should not be relied upon. The notice shall include a warning notice to alert the transferee that a discrepancy exists between the odometer and the actual mileage.

(g) Total price or, in the case of a lease, the gross capitalized cost.

(h) Down payment or, in the case of a lease, the capitalized cost reduction, if any.

(i) A statement signed by the broker certifying that the terms of all warranties applicable to the vehicle have been fully disclosed to the buyer or lessee in writing.

(j) A statement signed by the broker disclosing the names of all parties to the transaction whom the broker represents.

(k) If a fee, compensation, commission, or other valuable consideration will be paid by any party to the transaction, the amount of the fee, compensation, or other valuable consideration and a detailed description of what each individual charge includes.

(l) Signatures of the buyer, seller, broker, or lessee, or their respective representatives.

(2) For the purpose of this rule, it is presumed that the broker is the agent of the unlicensed party to the transaction.

History: 1954 ACS 94, Eff. Feb. 8, 1978; 1979 AC; 2000 MR 19, Eff. Nov. 20, 2000.

R 257.189 Broker's fee in writing.

Rule 9. Before a broker charges or receives a fee, the broker and the person paying the fee shall draw up and sign a written document, and a copy of the document shall be provided at the time of signing to the person paying the fee and a copy retained by the broker. A broker shall ensure that the document clearly sets forth all of the following information:

(a) The amount of the fee.

(b) When, in what manner, and under what circumstances the fee is payable.

(c) The amount of any deposit required in advance and whether and under what circumstances the deposit or any portion of it shall be refunded.

(d) The length of time for which the broker's services are contracted.

(e) Any other terms agreed upon by the signers.

History: 1954 ACS 94, Eff. Feb. 8, 1978; 1979 AC; 2000 MR 19, Eff. Nov. 20, 2000.

R 257.190 Records.

Rule 10. (1) A broker shall maintain for a period of not less than 5 years from their making, copies of all purchase or lease agreements, bills of sale, and other papers and documents relating to transactions negotiated and fees charged by the broker.

(2) Upon the request of the administrator, a broker shall submit to the administrator copies of all records required by the act or these rules. The administrator shall specify the format in which the records shall be submitted, which may be electronic. This subrule shall only apply to records of vehicles sold at retail by a licensed dealer where a broker is involved in the transaction.

History: 1954 ACS 94, Eff. Feb. 8, 1978; 1979 AC; 2000 MR 19, Eff. Nov. 20, 2000.

R 257.191 Established place of business; requirements; restriction.

Rule 11. A broker shall maintain an established place of business, approved by the administrator, at which place the broker shall keep all required books and records, maintain posted business hours, and conduct a large share of his or her business. A broker's established place of business shall not be occupied as the established place of business of another licensed vehicle dealer.

History: 1954 ACS 94, Eff. Feb. 8, 1978; 1979 AC; 2000 MR 19, Eff. Nov. 20, 2000.

BUREAU OF DEPARTMENT SERVICES
TANKER LOAN PROGRAM

R 257.201—R 257.206

Source: 1997 AACs.

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BUREAU OF AUTOMOTIVE REGULATION
SALVAGE VEHICLE RECORDS

R 257.251

Source: 1980 AACS.

R 257.252

Source: 1980 AACS.

R 257.253

Source: 1980 AACS.

R 257.254

Source: 1980 AACS.

R 257.255

Source: 1980 AACS.

R 257.256

Source: 1980 AACS.

R 257.257

Source: 1980 AACS.

DRIVER LICENSE APPEAL DIVISION
GENERAL RULES

R 257.301 Definitions.

Rule 1. (1) As used in these rules:

- (a) "Act" means Act No. 300 of the Public Acts of 1949, as amended, being S257.1 et seq. of the Michigan Compiled Laws.
 - (b) "Administrator" means the secretary of state or an individual who is designated by the secretary of state to act in his or her place.
 - (c) "Appeal hearing" means an appeal pursuant to the provisions of section 322 of the act.
 - (d) "Communication equipment" means a conference telephone or other electronic device that permits all those appearing at, or participating in, a hearing to hear and speak to each other.
 - (e) "Division" means the driver license appeal division of the bureau of hearings and legislation of the department.
 - (f) "Hearing" means an appeal pursuant to the provisions of section 322 of the act or a proceeding pursuant to the provisions of section 625f of the act.
 - (g) "Hearing officer" means a person who is appointed by the secretary of state to conduct hearings.
 - (h) "Implied consent hearing" means a proceeding pursuant to the provisions of section 625f of the act.
 - (i) "Party" means either of the following:
 - (i) A petitioner.
 - (ii) All of the law enforcement officers involved with the case. The officers involved shall be deemed to be a single party for purposes of an implied consent hearing.
 - (j) "Petitioner" means a person who qualifies for a hearing.
- (2) A word or term defined in the act has the same meaning when used in these rules.

History: 1992 MR 10, Eff. Nov. 5, 1992.

R 257.302 Request for hearing; contents; notice of denial; appearance of attorney.

Rule 2. (1) A request for a hearing shall be in compliance with all of the following requirements:

- (a) Be in writing.

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(b) Include all of the following information with respect to the petitioner:

- (i) Full name.
- (ii) Home and mailing addresses.
- (iii) Telephone number.
- (iv) Date of birth.
- (v) Driver license number, if known.

(c) Be filed with the division office in Lansing.

(d) With respect to an appeal hearing that involves a review of a departmental determination which results in a denial or revocation pursuant to section 303(1)(d) or (e) or (2)(c), (d), or (e) of the act, the request for a hearing shall also include a current alcohol or substance abuse evaluation on a form prescribed by the department.

(2) If a petitioner is represented by an attorney at the time a request for a hearing is filed, the request shall include all of the following information with respect to the attorney:

- (a) Name.
- (b) P number.
- (c) Business address.
- (d) Telephone number.

(3) A request for a hearing that is filed by mail shall be postmarked, and a request for a hearing that is filed by facsimile machine or hand delivery shall arrive at the division office in Lansing, either within 14 days after the final determination of the secretary of state pursuant to the provisions of section 322 of the act or within 14 days after the date of the notice issued pursuant to the provisions of section 625e of the act pursuant to the provisions of section 625f of the act.

(4) If a request for a hearing is denied, the administrator shall notify the petitioner and his or her attorney, if any, in writing, stating the reasons for the denial.

(5) If a petitioner retains an attorney, or if a prosecuting attorney represents the law enforcement officer or officers at an implied consent hearing, the attorney shall either file a written appearance with the division office in Lansing or submit his or her written appearance to the hearing officer at the hearing. An attorney shall not be permitted to represent a petitioner or other party unless a written appearance has been filed.

History: 1992 MR 10, Eff. Nov. 5, 1992.

R 257.303 Hearing scheduling; hearing site; notice of hearing; contents; defective notice; accuracy of information on file with division.

Rule 3. (1) After receipt of a timely and proper request for a hearing, the administrator shall schedule a hearing to be held within a reasonable time.

(2) An implied consent hearing shall be conducted at the division hearing site that is closest to the location of the alleged arrest or at another appropriate hearing site selected by the administrator.

(3) An appeal hearing shall be conducted at the division hearing site that is closest to the petitioner's place of residence, unless otherwise requested by the petitioner or deemed appropriate by the administrator.

(4) In appeal and implied consent hearings, the administrator shall furnish notice of hearing to the petitioner and to the attorneys of record, if any, pursuant to the act and other applicable provisions of law.

(5) For an implied consent hearing, notice shall be mailed to the police officer or officers whose name or names appear on the report that is filed pursuant to the provisions of section 625d of the act and, if the prosecuting attorney requests receipt of the notice, to that attorney.

(6) A notice of hearing shall include all of the following information:

- (a) The date, time, place, and nature of the hearing.
- (b) The legal authority under which the hearing is being held.
- (c) A reference to the particular section or sections of the statutes and rules involved.
- (d) A short and plain statement of the matters asserted.
- (e) In the case of an implied consent hearing, the issues that the hearing will cover.

(7) If proper notice is not provided, the hearing shall be adjourned and rescheduled unless rescheduling is waived in writing by the parties.

(8) Each petitioner, attorney, and police officer shall ensure that his or her address and telephone number

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that are on file with the division are correct and shall immediately notify the division of a change of address or telephone number that occurs during the course of the proceeding.

History: 1992 MR 10, Eff. Nov. 5, 1992.

R 257.304 Hearing conducted with communication equipment.

Rule 4. (1) Notwithstanding any other provision of these rules, the administrator may direct that a hearing be conducted by means of communication equipment and may schedule the hearing accordingly.

(2) For good cause shown, the hearing officer or administrator may adjourn a hearing that is scheduled pursuant to the provisions of subrule (1) of this rule and order that the matter be reconvened in the presence of the hearing officer and the parties at a single location.

History: 1992 MR 10, Eff. Nov. 5, 1992.

R 257.305 Withdrawal of request for hearing; withdrawal of arresting officer's report.

Rule 5. (1) A petitioner may withdraw his or her request for a hearing. The withdrawal shall be in writing and shall be filed either with the division office in Lansing or with the hearing officer at the hearing.

(2) If a petitioner withdraws from an appeal hearing, the determination of the secretary of state that was appealed shall be promptly affirmed by the hearing officer without further proceedings and a hearing on the same matter shall not be held until at least 1 year after the hearing date set before the withdrawal, unless the administrator or hearing officer orders otherwise.

(3) If a petitioner withdraws from an implied consent hearing, the department shall impose sanctions against the petitioner pursuant to the provisions of section 625f(1) of the act.

(4) An arresting officer or a prosecuting attorney may withdraw a report filed pursuant to the provisions of section 625d of the act. If a withdrawal is made under this subrule, a suspension and points shall not be assessed against the petitioner's license. The withdrawal shall be in writing and shall be filed either with the division office in Lansing or with the hearing officer at the hearing.

History: 1992 MR 10, Eff. Nov. 5, 1992.

R 257.306

Source: 1992 AACs.

R 257.307

Source: 1992 AACs.

R 257.308

Source: 1992 AACs.

R 257.309 Time; effect of failure to appear.

Rule 9. (1) A hearing shall commence not more than 20 minutes after the scheduled hearing time, except for reasonable cause to be determined by the hearing officer or administrator. If a hearing does not commence within 20 minutes after the scheduled hearing time, the provisions of subrules (2) to (4) of this rule apply.

(2) Except as provided in subrule (4) of this rule or for reasonable cause to be determined by the administrator or hearing officer, with respect to an appeal hearing, the failure of the petitioner to appear shall have the following effect:

(a) The petitioner's hearing request shall be deemed to be withdrawn.

(b) The determination of the secretary of state that was appealed shall be affirmed.

(c) Another hearing on the same matter shall not be held until at least 1 year from the hearing date, unless the administrator or hearing officer orders otherwise.

(3) Except for reasonable cause to be determined by the administrator or hearing officer, with respect to an implied consent hearing, the failure of the petitioner or the arresting officer to appear shall have the following effect:

(a) The petitioner's failure to appear shall be treated as a default and sanctions shall be imposed pursuant to the provisions of section 625f of the act.

(b) If the arresting officer fails to appear, the matter shall be dismissed and sanctions shall not be imposed

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pursuant to the provisions of section 625f of the act, whether or not the petitioner appears.

(c) Another hearing on the same matter shall not be held unless the administrator or hearing officer orders otherwise.

(4) At the written request of a petitioner and with the approval of the administrator, an appeal hearing may be conducted through a review of written proofs submitted by the petitioner. The petitioner need not be present for such a review.

(5) If a matter is resolved pursuant to the provisions of subrule (2), (3), or (4) of this rule, the hearing officer or the administrator may elect not to go on the record.

History: 1992 MR 10, Eff. Nov. 5, 1992.

R 257.310 Conduct of hearings; witnesses; rules of evidence; official notice; burden of proof.

Rule 10. (1) A hearing shall be open to the public, unless the hearing officer orders otherwise.

(2) The hearing officer may call or recall witnesses, aid an unrepresented party in presenting the case, and question witnesses regarding any matter pertinent to the case.

(3) The rules of evidence as applied in circuit court shall be followed as far as practicable, but the hearing officer may admit, and give probative effect to, evidence of a type that is commonly relied upon by reasonably prudent persons in the conduct of their affairs.

(4) Irrelevant, immaterial, or unduly repetitious evidence may be excluded.

(5) The hearing officer may call for additional evidence on an issue and require that the evidence be presented by a party or another person.

(6) A hearing officer may take official notice of facts and may take notice of general, technical, or scientific facts within the department's specialized knowledge.

(7) The petitioner shall have the burden of proof at an appeal hearing and on an affirmative defense at an implied consent hearing.

(8) The arresting officer shall have the burden of proof at an implied consent hearing, except as provided in subrule (7) of this rule.

History: 1992 MR 10, Eff. Nov. 5, 1992.

R 257.311

Source: 1992 AACS.

R 257.312 Briefs and memoranda; filing.

Rule 12. (1) A hearing officer may require or allow the filing of briefs or other writings.

(2) The proponent of an issue shall file the initial brief or other writing with the hearing officer and the opposing party, if any.

(3) The opposing party shall be given a reasonable opportunity to file a responsive brief or other writing.

(4) All briefs and other writings shall be filed by the times indicated by the hearing officer, except when the hearing officer determines that there is good cause to grant an extension.

History: 1992 MR 10, Eff. Nov. 5, 1992.

R 257.313

Source: 1992 AACS.

R 257.313a Breath alcohol ignition interlock devices (BAIID); "major violation," "minor violation," "rolling retest violation," and "start-up test failure" defined.

Rule 13a. (1) As used in this rule:

(a) "Major violation" means any of the following:

(i) A rolling retest violation.

(ii) The petitioner is issued a permit under section 625g of the act.

(iii) The petitioner is convicted of violating section 625l of the act.

(iv) The monitoring of the BAIID indicates that the BAIID has been tampered with or circumvented or that there was an attempt to tamper with or circumvent the BAIID.

(v) Three minor violations within a monitoring period.

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- (vi) A BAIID is removed from a vehicle, except as provided in subrule (9) of this rule or if a BAIID is installed within 7 days in another vehicle owned or operated by a petitioner whose license is restricted.
- (b) "Minor violation" means either of the following:
- (i) Two months or more after the BAIID is installed, 3 start-up test failures within a monitoring period.
 - (ii) The petitioner fails to report to the BAIID installer for monitoring within 7 days after his or her scheduled monitoring date.
- (c) "Rolling retest violation" means the BAIID has detected, while the vehicle is in operation, an alcohol content identified in section 625k(5)(a)(iii)(c) of the act. This subdivision does not apply if, within 5 minutes of that detection, the petitioner delivers a breath sample that the BAIID analyzes as having an alcohol content of less than 0.04 grams per 210 liters of breath.
- (d) "Start-up test failure" means the BAIID has prevented the motor vehicle from being started. Multiple unsuccessful attempts at 1 time to start the vehicle shall be treated as 1 start-up test failure under this subdivision.
- (2) If a person whose license was denied or revoked under section 303(1)(f) or (2)(c), (d), or (f) of the act was granted a restricted license on or before October 1, 1999, and the hearing officer continues the restricted license following a hearing held after October 1, 1999, then the hearing officer may do both of the following:
- (a) Require the installation of a BAIID on each motor vehicle the person owns or intends to operate, the costs of which shall be borne by the person whose license is restricted.
 - (b) Condition the issuance of the continued restricted license upon verification by the department that a BAIID has been installed.
- (3) If a restricted license requiring a BAIID is interrupted, the hearing officer may aggregate the periods of time that a restricted license which included a BAIID requirement was actually operative to determine whether the 1-year period required by section 322(6) of the act has been met.
- (4) The manufacturer, installer, or service provider of a BAIID shall submit a violation report to the department if monitoring of the BAIID indicates that the person whose license is restricted under this rule or section 323(6) of the act has committed a major or minor violation as defined in this rule. A violation report regarding a major violation, except when the petitioner is issued a permit under section 625g of the act or is convicted of violating section 625l of the act, shall be submitted to the department not later than 10 days after the violation occurs.
- (5) A manufacturer, installer, or service provider shall submit a report required by subrule (4) of this rule in a form prescribed or previously approved by the department.
- (6) A violation report shall include the following information:
- (a) All major and minor violations revealed by the monitoring of the BAIID since the BAIID was installed or since the last monitoring, whichever is later.
 - (b) Any other information required by the department.
- (7) If a major violation is reported to the department, then all of the following provisions apply:
- (a) The department shall reinstate the original revocation or denial, or both, under section 303 of the act and shall give not less than 5 days' written notice to the petitioner.
 - (b) If a written request for a hearing is filed within 14 days after the reinstatement under subdivision (a) of this subrule, then the department shall schedule a hearing.
 - (c) At a hearing scheduled under this subrule, the petitioner has the burden of establishing that the reinstated section 303 revocation or denial, or both, should be set aside.
- (8) If a minor violation is reported to the department, then the department shall extend the period of time before another hearing may be held by 3 months and shall extend the minimum period of time for the BAIID requirement by 3 months.
- (9) After the minimum period of time required by section 322(9) of the act plus any extensions imposed under subrule (8) of this rule, all of the following provisions apply:
- (a) The petitioner may have the BAIID removed from his or her vehicle.
 - (b) The manufacturer, installer, or service provider shall prepare a final report on a form prescribed by the department and give the report to the petitioner.
 - (c) The petitioner shall submit the report to the hearing officer at the petitioner's next hearing.
- History: 1999 MR 9, Eff. Oct. 9, 1999.

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R 257.314 Recording hearings; transcript request; fee; erasing or reprocessing electronic recording medium.

Rule 14. (1) Each hearing shall be electronically, stenographically, or otherwise recorded, as determined by the hearing officer or the administrator.

(2) A request for a transcript or a partial transcript may be made by any person. A request shall be in writing and be filed with the division office in Lansing within 63 days after the date of the hearing officer's decision or within 182 days after the date of the hearing officer's decision if the court extends the period for filing a petition for review of the determination pursuant to the provisions of section 323(1) of the act.

(3) A request for a transcript shall include all of the information set forth in both of the following provisions:

(a) The hearing date and location.

(b) The petitioner's full name, birth date, and, if known, driver license number.

(4) A fee, as provided in section 813 of the act, shall be charged to a person who requests a transcript or partial transcript.

(5) The administrator or hearing officer may erase or otherwise reprocess the electronic recording medium if a transcript request is not received by the division office in Lansing within the periods prescribed in subrule (2) of this rule.

History: 1992 MR 10, Eff. Nov. 5, 1992.

R 257.315

Source: 1992 AACS.

R 257.316

Source: 1992 AACS.

BUREAU OF DEPARTMENT SERVICES
CERTIFICATES OF NO-FAULT SELF-INSURANCE

R 257.531

Source: 1993 AACS.

R 257.532

Source: 1993 AACS.

R 257.533

Source: 1993 AACS.

R 257.534

Source: 1993 AACS.

R 257.535

Source: 1993 AACS.

R 257.536

Source: 1993 AACS.

R 257.537

Source: 1993 AACS.

R 257.538

Source: 1993 AACS.

R 257.539

Source: 1993 AACS.

R 257.540

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Source: 1993 AACS.

**BUREAU OF DRIVER AND VEHICLE RECORDS
SPECIAL PARKING PRIVILEGES**

R 257.801—R 257.803
Source: 1997 AACS.

**BUREAU OF DRIVER IMPROVEMENT
PHYSICAL AND MENTAL STANDARDS FOR DRIVERS**

R 257.851
Source: 1988 AACS.

R 257.852
Source: 1988 AACS.

R 257.853
Source: 1988 AACS.

R 257.854
Source: 1988 AACS.

R 257.855
Source: 1988 AACS.

R 257.856
Source: 1988 AACS.

R 257.857
Source: 1988 AACS.

**DEPARTMENT OF STATE POLICE
TRAFFIC SERVICES DIVISION
INSPECTION OF NONPUBLIC MOTOR VEHICLES**

R 257.951
Source: 1982 AACS.

R 257.952
Source: 1982 AACS.

R 257.953
Source: 1982 AACS.

R 257.954
Source: 1982 AACS.

R 257.955
Source: 1982 AACS.

**DEPARTMENT OF STATE
BUREAU OF FIELD SERVICES**

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MOTORCYCLE OPERATOR TESTS

R 257.971

Source: 1984 AACS.

R 257.972

Source: 1984 AACS.

R 257.973

Source: 1984 AACS.

R 257.974

Source: 1984 AACS.

R 257.975

Source: 1984 AACS.

DEPARTMENT OF STATE POLICE

ALCOHOL ENFORCEMENT UNIT

DRUNK DRIVING PREVENTION EQUIPMENT AND TRAINING FUND

R 257.991

Source: 1997 AACS.

R 257.992

Source: 1997 AACS.

R 257.993

Source: 1997 AACS.

R 257.994

Source: 1992 AACS.

R 257.995

Source: 1997 AACS.

R 257.996

Source: 1997 AACS.

DEPARTMENT OF STATE POLICE

BUREAU OF AUTOMOTIVE REGULATION

BREATH ALCOHOL AND IGNITION INTERLOCK DEVICES

R 257.1001 Definitions.

Rule 1. (1) As used in these rules:

(a) "Act" means Act No. 300 of the Public Acts of 1949, as amended, being S257.1 et seq. of the Michigan Compiled Laws.

(b) "Administrator" means the secretary of state or an individual designated by the secretary of state to act in his or her place.

(c) "BAIID" means a breath alcohol ignition interlock device.

(d) "Certified BAIID" means a BAIID that has been certified by a department-approved laboratory as meeting or exceeding the requirements of section 625k of the Act.

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History: 1999 MR 9, Eff. Oct. 4, 1999.

R 257.1002 Address of administrator.

Rule 2. The official address of the administrator is:

Michigan Department of State
Bureau of Automotive Regulation
Lansing, Michigan 48918

History: 1999 MR 9, Eff. Oct. 4, 1999.

R 257.1003 Approval of laboratory; termination of approval.

Rule 3. (1) The administrator may approve a laboratory under section 625k(1) of the act if the laboratory certifies, in writing, that it is capable of properly testing a BAIID to determine if it meets or exceeds the requirements of section 625k of the act and is capable of certifying that the BAIID meets or exceeds the requirements of section 625k of the act.

(2) A previously approved laboratory that is no longer capable of properly testing or certifying a BAIID shall immediately notify the administrator in writing. Upon receipt of notification, the administrator shall immediately terminate the approval of the laboratory.

History: 1999 MR 9, Eff. Oct. 4, 1999.

R 257.1004 Approval and disapproval of BAIIDs; list of manufacturers.

Rule 4. (1) A manufacturer of a BAIID that wishes to be placed on the list of manufacturers of approved certifies BAIIDs shall submit a written request, together with all of the information and materials required by the act and rules promulgated to implement the act, to the administrator. (2) A written request that fails to include all of the information and materials required by the act and these rules is incomplete. The administrator shall return the request to the manufacturer and explain, in writing, why the request is incomplete.

(3) The administrator shall approve or disapprove a BAIID not later than 60 days after receipt of a complete written request.

(4) The administrator shall notify a manufacturer whose BAIID is not approved, in writing, of the determination and the reason or reasons for the determination.

(5) The administrator shall notify a manufacturer whose BAIID is approved, in writing, of the date of approval.

(6) The administrator shall publish a list of all manufacturers of certified BAIIDs that are approved under section 625k of the act. The administrator shall widely disseminate the list and shall republish the list as appropriate.

History: 1999 MR 9, Eff. Oct. 4, 1999.

R 257.1005 Removal from list of manufacturers.

Rule 5. (1) The administrator may remove a manufacturer from the list of manufacturers of approved certified BAIIDs for either of the following reasons:

(a) The manufacturer, the manufacturer's BAIIDs, or the manufacturer's installers or service providers no longer comply with the requirements of sections 625k or 625l of the act and rules promulgated to implement the act.

(b) The manufacturer or the installers and service providers authorized to install and service the manufacturer's BAIIDs fail to submit reports required by the act or rules promulgated to implement the act in the form prescribed by the department in a timely manner.

(2) Before removing a manufacturer from the list of manufacturers of approved certified BAIIDs, the administrator shall give the manufacturer written notice of the reason or reasons for the proposed removal.

(3) The notice issued under subrule (2) of this rule shall also indicate that the proposed removal will occur 30 days after the date of the notice unless the manufacturer establishes, to the satisfaction of the administrator, either of the following:

(a) The conditions identified in subrule (1)(a) and (b) of this rule do not exist.

(b) The manufacturer, the manufacturer's BAIID, or the manufacturer's installers or service providers will

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comply with the requirements of section 625k or 625l of the act and rules promulgated to implement the act.
History: 1999 MR 9, Eff. Oct. 4, 1999.

R 257.1006 Inspections; noncompliance; removal from lists.

Rule 6. (1) The administrator may conduct inspections of a laboratory, BAIID manufacturer, or BAIID installer or service provider to determine if the laboratory, manufacturer, installer, or provider is in compliance with the act or rules promulgated to implement the act.

(2) If an inspection indicates noncompliance, then the administrator shall give the laboratory, BAIID manufacturer, or BAIID installer or service provider written notice of the noncompliance. In the case of an installer or service provider, the administrator also shall give written notice to the manufacturer of the BAIID that the person installs or services.

(3) Within 30 days of the date of the notice issued under subrule (2) of this rule, the laboratory or manufacturer shall notify the administrator, in writing, of any corrective action taken.

(4) The administrator may remove a manufacturer or laboratory from the list of manufacturers of approved certified BAIIDs or the list of approved laboratories for either of the following reasons:

(a) The manufacturer or laboratory fails to take corrective action or to come into full compliance with the provisions of the act or a rule promulgated under the act.

(b) The manufacturer or laboratory fails to file a written response within 30 days after the date of the notice of noncompliance.

History: 1999 MR 9, Eff. Oct. 4, 1999.

DEPARTMENT OF NATURAL RESOURCES

RECREATIONAL SERVICES DIVISION

STATE AID FOR RECREATIONAL AND SNOWMOBILE TRAILS

R 257.1521

Source: 1982 AACS.

R 257.1522

Source: 1982 AACS.

R 257.1523

Source: 1982 AACS.

R 257.1524

Source: 1982 AACS.

R 257.1525

Source: 1982 AACS.

R 257.1526

Source: 1982 AACS.

R 257.1527

Source: 1982 AACS.

R 257.1528

Source: 1982 AACS.

R 257.1529

Source: 1982 AACS.

R 257.1530

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Source: 1982 AACS.

R 257.1531

Source: 1982 AACS.

R 257.1532

Source: 1982 AACS.

R 257.1533

Source: 1982 AACS.

**DEPARTMENT OF STATE
BUREAU OF DRIVER AND VEHICLE SERVICES
DISPLAY OF SNOWMOBILE DECAL**

R 257.1551

Source: 1981 AACS.

**DEPARTMENT OF NATURAL RESOURCES
LAW ENFORCEMENT DIVISION
LOCAL SNOWMOBILE CONTROL**

R 257.1601

Source: 1995 AACS.

**DEPARTMENT OF EDUCATION
STATE BOARD OF EDUCATION
MOTORCYCLE SAFETY EDUCATION**

R 257.1701

Source: 1989 AACS.

R 257.1702

Source: 1989 AACS.

R 257.1703

Source: 1989 AACS.

R 257.1704

Source: 1989 AACS.

R 257.1705

Source: 1989 AACS.

R 257.1706

Source: 1989 AACS.

R 257.1707

Source: 1989 AACS.

R 257.1708

Source: 1989 AACS.

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R 257.1709
Source: 1989 AACS.

R 257.1710
Source: 1989 AACS.

R 257.1711
Source: 1989 AACS.

R 257.1712
Source: 1989 AACS.

R 257.1713
Source: 1989 AACS.

R 257.1715
Source: 1989 AACS.

R 257.1717
Source: 1989 AACS.

R 257.1721
Source: 1989 AACS.

R 257.1722
Source: 1989 AACS.

R 257.1723
Source: 1989 AACS.

R 257.1724
Source: 1989 AACS.

R 257.1725
Source: 1989 AACS.

R 257.1726
Source: 1989 AACS.

R 257.1727
Source: 1989 AACS.

**DEPARTMENT OF STATE
BUREAU OF AUTOMOTIVE REGULATION
AUTO EXHAUST TESTING**

PART 1. GENERAL PROVISIONS

R 257.3101
Source: 1997 AACS.

R 257.3102, R 257.3103
Source: 1997 AACS.

R 257.3104
Source: 1997 AACS.

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R 257.3105

Source: 1997 AACS.

R 257.3106—R 257.3108

Source: 1997 AACS.

PART 2. INSTRUMENT AND INSPECTION REQUIREMENTS

R 257.3201, R 257.3202

Source: 1997 AACS.

R 257.3203

Source: 1997 AACS.

R 257.3203a—R 257.3203i

Source: 1997 AACS.

R 257.3203j

Source: 1997 AACS.

R 257.3204

Source: 1997 AACS.

R 257.3205—R 257.3208

Source: 1997 AACS.

R 257.3209, R 257.3210

Source: 1997 AACS.

R 257.3211

Source: 1997 AACS.

PART 3. TESTING STATIONS

R 257.3301

Source: 1997 AACS.

R 257.3302—R 257.3304

Source: 1997 AACS.

R 257.3305, R 257.3306

Source: 1997 AACS.

R 257.3307

Source: 1997 AACS.

R 257.3308

Source: 1997 AACS.

R 257.3309

Source: 1997 AACS.

R 257.3310

Source: 1997 AACS.

R 257.3311

Source: 1997 AACS.

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R 257.3312

Source: 1997 AACS.

R 257.3313

Source: 1997 AACS.

R 257.3314, R 257.3315

Source: 1997 AACS.

R 257.3316

Source: 1997 AACS.

R 257.3317

Source: 1997 AACS.

R 257.3318—R 257.3321

Source: 1997 AACS.

R 257.3321a

Source: 1997 AACS.

R 257.3322

Source: 1997 AACS.

R 257.3323

Source: 1997 AACS.

R 257.3324

Source: 1997 AACS.

PART 4. FLEET TESTING STATIONS

R 257.3401—R 257.3403

Source: 1997 AACS.

R 257.3404—R 257.3406

Source: 1997 AACS.

R 257.3407—R 257.3410

Source: 1997 AACS.

R 257.3411, R 257.3412

Source: 1997 AACS.

R 257.3413

Source: 1997 AACS.

R 257.3414

Source: 1997 AACS.

R 257.3415—R 257.3417

Source: 1997 AACS.

R 257.3418, R 257.3419

Source: 1997 AACS.

PART 5. INSPECTOR QUALIFICATION

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R 257.3501—R 257.3506

Source: 1997 AACS.

PART 6. GENERAL COMPLIANCE

R 257.3601

Source: 1997 AACS.

R 257.3602

Source: 1997 AACS.

R 257.3603

Source: 1997 AACS.

R 257.3604, R 257.3605

Source: 1997 AACS.

R 257.3606

Source: 1997 AACS.

R 257.3607, R 257.3608

Source: 1997 AACS.

R 257.3609

Source: 1997 AACS.

R 257.3610

Source: 1997 AACS.

R 257.3610a

Source: 1997 AACS.

R 257.3611

Source: 1997 AACS.

R 257.3612

Source: 1997 AACS.

DEPARTMENT OF TRANSPORTATION

AERONAUTICS COMMISSION

GENERAL RULES

PART 1. GENERAL PROVISIONS

R 259.201

Source: 1985 AACS.

PART 2. LICENSES AND REGISTRATION

R 259.221 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.222 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

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R 259.223 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.224 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.225 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

PART 3. SUSPENSION AND REVOCATION OF LICENSES

R 259.231 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.232 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

PART 4. AIRPORT CLASSIFICATION

R 259.241 Scope.

Rule 241. This part prescribes the minimum airport facilities required for the granting of a license to operate a public use airport as provided by Act 327 of the Public Acts of 1945, as amended, being §259.1 et seq. of the Michigan Compiled Laws. Licensed public use airports shall be included on the Michigan Aeronautical charts and other aviation publications made available to the public.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 MR 21, Eff. Jan. 3, 2001.

R 259.242 Term of license.

Rule 242. A license issued under the terms of this part shall expire on December 31 annually.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 MR 21, Eff. Jan. 3, 2001.

R 259.243 Basic utility airports.

Rule 243. A basic utility airport shall meet all of the following requirements:

- (a) Have an airport manager licensed by the commission.
- (b) Contain a runway with a 1,200-foot landing length in each direction from a clear approach slope of 20 to 1. Unpaved runways shall have a minimum width of 50 feet with an additional 25 feet minimum width on each side clear of obstructions. Paved runways shall have a minimum width of 40 feet with an additional 30 feet minimum width on each side clear of obstructions.
- (c) Maintain a state primary surface for each runway clear of all obstructions. The state primary surface shall be at least 100 feet wide, but not less than the width of the runway.
- (d) Maintain a state approach surface that extends outward and upward from the end of the state primary surface for a distance of 5,000 feet. The shape of the state approach surface is rectangular with a minimum width of 100 feet and a length of 5,000 feet. The width of the state approach surface shall be at least as wide as the width of the runway. The state approach surface extends for a horizontal distance of 5,000 feet at a slope of 20 to 1 including 15 feet clearance over roads, 17 feet clearance over interstate highways, 23 feet clearance over railroads, and 25 feet clearance over property lines. The state approach surface begins at the runway end for unpaved runways.
- (e) Establish a permanent monument located on the centerline at or beyond each end of the runway.
- (f) Maintain a clearly marked automobile parking area.
- (g) Maintain an itinerant aircraft parking area.
- (h) Maintain a clearly marked entrance from a public road.

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- (i) Paved runways shall have centerline marking and runway numbering conforming to the published standards of the Federal Aviation Administration.
 - (j) Unpaved runways marked in accordance with commission standards.
 - (k) Maintain a windcone.
 - (l) Airports with right traffic patterns shall have a segmented circle with traffic pattern indicators.
 - (m) Runway lighting, if available for public use, shall conform to Federal Aviation Administration standard color and layout in accordance with FAA Advisory Circular 150/5340-24 dated September 3, 1975. Printed copies of FAA Advisory Circular 150/5340-24 are available for inspection and distribution to the public free of charge at the offices of the Michigan Department of Transportation, Bureau of Aeronautics, 2700 East Airport Service Drive, Lansing, Michigan 48906. Printed copies of FAA Advisory Circular 150/5340-24 are also available, free of charge, from the United States Department of Transportation, 800 Independence Avenue, Washington, D.C. 20591.
- History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 MR 21, Eff. Jan. 3, 2001.

R 259.244 General utility airports.

Rule 244. (1) A general utility airport shall meet all of the following requirements:

- (a) Have an airport manager licensed by the commission.
 - (b) Contain a runway with a 1,800-foot landing length in each direction from a clear approach slope of 20 to 1. Unpaved runways shall have a minimum width of 100 feet. Paved runways shall have a minimum width of 40 feet with a minimum of 30 feet on either side clear of obstructions.
 - (c) Maintain a state primary surface for each runway clear of all obstructions. The state primary surface shall be at least 250 feet wide.
 - (d) Maintain a state approach surface for each runway end that extends outward and upward from the end of the state primary surface for a distance of 5,000 feet. The shape of the approach surface is a trapezoid with a width of 250 feet at the end of the primary surface and expands uniformly to a width of 1,250 feet. The state approach surface extends for a horizontal distance of 5,000 feet at a slope of 20 to 1, including 15 feet clearance over roads, 17 feet clearance over interstate highways, 23 feet clearance over railroads, and 25 feet clearance over property lines. The state approach surface begins at the runway end for unpaved runways.
 - (e) Contain a permanent monument located on the centerline at or beyond each end of the runway.
 - (f) Maintain a clearly marked automobile parking area.
 - (g) Maintain a clearly marked entrance from a public road.
 - (h) Paved runways shall have centerline marking and runway numbering conforming to the published standards of the Federal Aviation Administration.
 - (i) Unpaved runways marked in accordance with commission standards.
 - (j) Any crosswind runways shall meet minimum requirements for a basic utility runway.
 - (k) Maintain a lighted windcone.
 - (l) Runway lighting shall be available from sunset to sunrise daily. Lighting configuration shall conform to the requirements of the Federal Aviation Administration Circular 150/5340-24 dated September 3, 1975 with regard to color and layout. Printed copies of FAA Advisory Circular 150/5340-24 are available for inspection and distribution to the public free of charge at the office of the Michigan Department of Transportation, Bureau of Aeronautics, 2700 East Airport Service Drive, Lansing, Michigan 48906. Printed copies of the FAA Advisory Circular 150/5340-23 are also available, free of charge, from the United States Department of Transportation, 800 Independence Avenue, Washington, D.C. 20591.
 - (m) Airports with right traffic patterns shall have a segmented circle with traffic pattern indicators.
- (2) A general utility airport shall provide all of the following services:
- (a) An administration building or terminal building with sanitary facilities available to the public.
 - (b) Adequate means to deter the unauthorized or inadvertent access to the aircraft operations area.
 - (c) A telephone that is available to the public 24 hours daily on the airport and the telephone's location clearly indicated.
 - (d) A formally adopted emergency service plan prepared by the airport owner.
 - (e) Airport rules and regulations that are adopted by the airport owner and available to the public.

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(f) Itinerant aircraft parking and tie-downs, including adequate ropes, chains, or their equivalent.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 MR 21, Eff. Jan. 3, 2001.

R 259.245 Air carrier airports.

Rule 245. The commission shall grant an air carrier airport license if both of the following minimum requirements are met:

(a) The airport employs an airport manager licensed by the commission.

(b) The airport has a valid airport operating certificate, or a limited airport operating certificate, issued by the Federal Aviation Administration.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 MR 21, Eff. Jan. 3, 2001.

R 259.246 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.247 Heliports.

Rule 247. (1) A heliport shall meet all of the following requirements:

(a) Employ an airport manager licensed by the commission.

(b) Contain a length and width of the landing area of at least 1½ times the length of the helicopter using the facility.

(c) Contain at least 2 heliport approach surfaces free of obstructions. The heliport approach surface begins at the end of the heliport landing area with the same width as the landing area, and extending outward and upward for a horizontal distance of 4,000 feet where its width is 500 feet. The slope of the approach surface is 8 to 1. Two of the heliport approach surfaces provided shall be located to provide that their centerlines form an arc of not less than 90 degrees at their intersection. Each heliport approach surface shall provide an area suitable for an emergency landing during takeoff, climb-out, and landing.

(d) If a heliport is located on an elevated structure or roof, then the heliport shall comply with local building and fire codes. The landing area shall be designed to support 1.5 times the maximum gross weight of the largest helicopter authorized to use the heliport. When applying for a license, the applicant shall file a certificate signed by a professional engineer registered in this state, certifying structural compliance of the heliport.

(e) Contain a windcone or means of identifying wind direction.

(f) Ground level heliports shall have operational areas fenced or marked with caution signs to prevent the inadvertent or unauthorized entry of persons or vehicles.

(g) Signs indicating a heliport. The signs shall be located on the heliport's perimeter.

(h) Maintain a clearly marked automobile parking area.

(i) Maintain an itinerant aircraft parking area.

(j) Maintain a clearly marked entrance from a public road.

(k) A telephone that is available to the public 24 hours daily on the heliport and the telephone's location clearly indicated.

(l) An administration building or terminal building with sanitary facilities available to the public.

(2) A hospital heliport shall meet all of the following requirements:

(a) Be reserved solely for air ambulance use or other hospital-related functions.

(b) Have an airport manager, appointed by the hospital heliport owner or operator, who is licensed by the commission within 90 days after his or her appointment.

(c) Have a final approach and takeoff area, the minimum dimensions of which are at least 1½ times the overall length of the largest helicopter authorized to use the hospital heliport.

(d) Have final approach and takeoff areas positioned to provide a minimum safety region of at least 10 feet or 1/3 of the rotor length of the largest helicopter that will land at the site, measured from the edge of the final approach and takeoff area to the obstacle nearest that area.

(e) Have at least 1 approach or takeoff path that is aligned as nearly as possible with the dominant winds,

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but that may deviate from that alignment to avoid objects or noise-sensitive areas or use airspace above public lands.

- (f) Be capable of being secured to prohibit the inadvertent or unauthorized entry of persons or vehicles.
 - (g) If the heliport is at ground level, the operational heliport areas shall be fenced or marked with caution signs to prohibit the inadvertent or unauthorized entry of persons or vehicles.
 - (h) Signs indicating a heliport. The signs shall be located on the heliport's perimeter.
 - (i) The touchdown and liftoff area is a paved hard surface.
 - (j) Have a lighted wind direction indicator.
 - (k) Provide suitable lighting at the hospital heliport's perimeter for night operations, and that lighting at a minimum includes lights at each corner of the final approach and takeoff area.
 - (l) Have identification markings present at the hospital heliport site that conform to Federal Aviation Administration standards for hospital heliports.
- (3) A hospital helistop shall meet all of the following requirements:
- (a) Have a person responsible for the daily operation of the hospital helistop, appointed by the owner or operator of the hospital helistop who, as determined by that owner or operator, meets the minimum standards established by the commission.
 - (b) Within 90 days after appointing a responsible person who is in charge of the daily operation of the hospital helistop, the owner or operator of the hospital helistop shall provide the commission in writing with the name of the responsible person who is in charge of the daily operation of the hospital helistop and identify the manner in which the commission may contact that responsible person in the event of an emergency.
 - (c) The hospital helistop is reserved solely for air ambulance use or other hospital-related functions.
 - (d) Have at least 1 suitable helicopter approach path that is identified and free of obstacles.
 - (e) Have a wind direction indicator.
 - (f) Have appropriate permanent or temporary lighting available for night operations.
 - (g) Have adequate security to prevent bystanders from approaching a helicopter as it lands or departs.
- (4) A pilot of a helicopter landing at a hospital helistop or heliport shall receive prior permission to land at the hospital helistop or heliport from the hospital helistop or a responsible person.
- History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 MR 21, Eff. Jan. 3, 2001.

PART 15. INTRASTATE COMMERCIAL OPERATIONS

R 259.251 Approval of sites.

Rule 251. (1) Upon receipt of an application for a new public use airport, the commission shall cause the proposed airport site to be inspected, and shall examine both of the following:

- (a) Plans and specifications as to all local conditions affecting the establishment and construction.
 - (b) Detailed requirements of state, local, and federal laws.
- (2) If the proposed or completed facility meets the minimum requirements for issuance of an airport license, and upon consideration of the public benefits and impacts on the surrounding area, then the commission shall license the site.
- (3) All applications for a license shall include any proposal describing any planned development of services and facilities intended to serve the flying and non-flying public.
- (4) Before annual renewal of any public use license, the commission shall determine that all applicable standards continue to be met by that facility, either through inspection or certification by the facility's owner or manager.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 MR 21, Eff. Jan. 3, 2001.

259.252 Location of facilities.

Rule 252. (1) Any facility, public or private, intended for the use of aircraft shall not be established, without prior commission approval, within 5 miles of a public use facility licensed by the commission.

- (2) A facility shall not be licensed or approved which requires aircraft to be airborne under a bridge or power

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line during the approach to or take-off from a landing area, or requires an aircraft to fly in a manner that may endanger persons or property.

(3) The commission may refuse issuance of license or approval when the location of a proposed landing area is at or near an existing airport or is in proximity to a licensed landfill, a game refuge, fishery, or other refuge designated by the Department of Natural Resources or which would result in a finding of interference to air navigation under the Tall Structure Act (Act 259 of 1959, MCL 259.481 et seq.).

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 MR 21, Eff. Jan. 3, 2001.

R 259.253 Airport name change.

Rule 253. The official name of an airport, as designated in a license issued by the commission, shall not be changed unless written request is made by resolution of the governing body of the airport authorizing the name change.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 MR 21, Eff. Jan 3, 2001.

R 259.254 Temporary field permits.

Rule 254. (1) If the owner of an aircraft uses, or proposes to use, an area or areas of land for temporary commercial operations, then the owner shall apply to the commission for a temporary field permit on forms furnished by the commission.

(2) The commission shall receive the application at least 14 days before the date of requested issuance, accompanied by a \$50.00 fee.

(3) The commission shall inspect the area or areas and if the area meets the minimum requirements of a licensed public use aeronautical facility, then the commission may issue a temporary field permit for a period not to exceed 120 days.

(4) This rule shall not apply to facilities intended for the exclusive use of ultralights, balloons, or seaplanes.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 Mr 21, Eff. Jan. 1, 2001.

R 259.255 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

PART 6. SEAPLANE BASES

R 259.261 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.262 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

PART 17. DEALERS AND MANUFACTURERS

R 259.271 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.272 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.373

Source: 1985 AACS.

R 259.374

Source: 1985 AACS.

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R 259.375

Source: 1985 AACS.

R 259.376

Source: 1985 AACS.

R 259.377

Source: 1985 AACS.

PART 8. AIRPORT APPROACH STANDARDS

R 259.281 Scope of part 8.

Rule 281. This part prescribes the airport approach standards which will be used by the commission in conducting aeronautical studies.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC.

R 259.281a Approaches

Rule 281a. The commission shall review the proposed construction or alteration of objects which are or will be in the vicinity of a licensed airport and which may be hazardous to the flight of aircraft for conformance with the minimum approach requirements. The review shall consider existing and planned use of the facility.

History: 1998 MR 6, Eff. June 29, 1998.

R 259.282 Objects of interference.

Rule 282. A man-made structure, natural growth or other object that projects above the landing area or any of the airport referenced imaginary surfaces is considered an object of interference to air-navigation unless an aeronautical study reveals otherwise.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; 1998 MR 6, Eff. June 29, 1998.

R 259.283 Airport referenced imaginary surfaces.

Rule 283. Airport referenced imaginary surfaces are established by reference to the airport as described in Act No. 259 of the Public Acts of 1959, as amended, being S259.481 et seq. of the Michigan Compiled Laws, and consist of all of the following:

- (a) The approach surfaces.
- (b) Inner horizontal surface.
- (c) Conical surface.
- (d) Transitional surfaces.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; 1998 MR 6, Eff. June 29, 1998.

R 259.284 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1954 ACS 79, Eff. May 22, 1974; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.285 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.286 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.287 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.288 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

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R 259.289 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.290 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

PART 9. AIRPORT HAZARDS

R 259.291 Applications.

Rule 291. (1) Application shall be made for a commission permit, unless otherwise authorized in these rules, before a structure, natural growth, or other object shall be erected, rebuilt, altered, allowed to grow or maintained within the areas described in R 259.292 and R 259.293, which will result in an object extending more than 500 feet above the highest point of land within a 1 mile radius from the object.

(2) No application shall be required for the emergency repair, alteration, or replacement of public utility structures, other than buildings when the height of such structures will not be increased. Any circumstances calling for immediate action or remedy in the repair, alteration, or replacement of public utility structures shall be deemed an emergency.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC.

R 259.292 Zoning ordinances.

Rule 292. (1) In areas surrounding a public use airport for which zoning ordinances or resolutions have not been adopted by local units of government, no person shall erect, add to the height of, or replace any object within an area lying 500 feet on either side of the centerline of a runway or landing strip for a distance of 2 miles from the nearest boundary of a public use airport, which will result in an object extending higher than the height determined by the ratio of 20:1 between the nearest boundary of the airport and the object.

(2) In areas for which zoning ordinances or resolutions have been adopted by local units of government, no person shall erect, add to the height of, or replace an object except as authorized by the local zoning ordinance. Outside of locally zoned territory and within an area determined by the extensions of the approach surface and the transitional surface on the same slope ratios established under the local zoning ordinance or resolution, but not to exceed a slope ratio of 40:1 for the approach surface, or 7:1 for the transitional surface, to a point where the extended approach and transitional surfaces intersect the 500-foot level described in R 259.291, no object shall be erected, altered by increasing its height, or replaced until a permit therefor has been obtained from the commission.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC.

R 259.293 Nonconforming structures and trees.

Rule 293. These rules do not require removal, lowering, change, or alteration of a structure, vegetation, or other object not conforming to these rules as of their effective date. However, the owner of a nonconforming object shall without expense provide or permit installation, operation, and maintenance of markers and lights deemed necessary by the commission to indicate the presence of airport hazards. Where an airport hazard area exists in connection with a public use airport, the commission shall define and determine the airport hazard area and certify such determination to the political subdivision where the airport is located, and to the airport owner or operator.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC.

R 259.294 Abatement of hazards.

Rule 294. An encroachment upon an airport protection area arising out of the erection, rebuilding, alteration, growth, or maintenance of a structure, vegetation, or other object constitutes a public nuisance and may be abated.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC.

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R 259.295 Conflicting rules.

Rule 295. If these rules conflict with other regulations applicable to the same area, whether the conflict is with respect to the height of structures, vegetation, or other objects, or any other matter, those limitations or requirements determined by the commission to be most conducive to airport and air travel safety shall prevail and govern.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC.

PART 10. AIRPORT FIELD RULES

R 259.301 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.302 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.303 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.304 Supervision of running engines.

Rule 304. (1) An aircraft engine shall not be started unless a competent operator is in the aircraft attending the engine controls.

(2) Blocks equipped with ropes or other suitable means of removing the blocks shall always be placed in front of the wheels before starting the engine, unless the aircraft is equipped with adequate parking brakes and the brakes are effectively set.

(3) An aircraft shall be started and warmed up only in areas designated for such purposes.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC.

R 259.305 Fueling of aircraft.

Rule 305. No aircraft shall be fueled in a hangar, or while the engine is running.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC.

R 259.306 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.307 Towing.

Rule 307. A pilot shall not tow anything by an aircraft unless authority for the operation has been issued in writing by the airport manager, and appropriate commission and federal waivers have been issued.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC.

R 259.308 Dropping of objects.

Rule 308. The pilot of an aircraft shall not permit an object to be dropped from an aircraft in flight except upon written permission of the political subdivision having jurisdiction over the proposed act, and after full compliance is made with all applicable federal, state, and local laws and regulations. This rule does not prohibit aerial application operations such as seeding, spraying or dusting, where authorized by law, or acts performed in emergencies when it is necessary to lighten an aircraft in the interests of safety of the aircraft and its occupants.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC.

PART 11. AIRPORT MANAGERS AND ASSISTANT AIRPORT MANAGERS

R 259.311 Appointment and licensing.

Rule 311. (1) The owner or operator of a licensed aeronautical facility in the state shall appoint an airport manager. The airport manager may designate an individual to fulfill the duties of the airport manager in

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his or her absence.

(2) The airport manager shall have, by appropriate resolution of the appointing political subdivision, power and authority to exercise the control over the aeronautical facility for the enforcement of federal, state, and local rules and regulations pertaining to the landing area and its use.

(3) An airport manager or assistant airport manager shall obtain a 70% passing grade on a test based on the Michigan Aeronautics Code and the rules and regulations of the commission. The commission shall furnish the tests.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 MR 21, Eff. Jan. 3, 2001.

R 259.312 Responsibilities and duties.

Rule 312. An airport manager and assistant manager shall do all of the following as necessary:

(a) Assist appropriate authorities in enforcement of this act and the rules promulgated under this act.

(b) Determine that all licensed aeronautical facility requirements for the class under which the site is licensed are maintained.

(c) Determine and take appropriate action to assure that all locally based commercial activities operating on the licensed aeronautical facility have appropriate licenses and registrations as issued by the appropriate state and federal agencies.

(d) Post local rules, traffic patterns, and noise abatement procedures, if any.

(e) File notice with the proper federal agency indicating any change in the aeronautical facility condition.

(f) Advise the commission of a proposed construction or zoning change adjacent to or near the licensed aeronautical facility that would affect air navigation safety or use.

(g) Advise sponsors of new and proposed construction of federal regulations pertaining to objects affecting navigable airspace.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998; 2000 Mr 21, Eff. Jan 3, 2001.

PART 12. AVIATION SCHOOLS AND INSTRUCTORS

R 259.321 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.322 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.323 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.324 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.325 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

PART 13. FLYING CLUBS

R 259.331 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.332 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.333 Rescinded.

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History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

PART 14. AIR TRAFFIC RULES

R 259.341 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.342 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.343 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.344 Aircraft lights.

Rule 344. (1) An aircraft in flight shall display position lights between the hours of official sunset and sunrise.

(2) An aircraft parked, moored, or otherwise stationed within any area of an airport used, or available, for night flight operations shall be clearly illuminated, unless the parking area is otherwise marked with lights clearly defining the boundaries of the area.

(3) An aircraft parked, moored, or otherwise stationed on water shall display a white anchor light, or position light.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC.

PART 15. INTRASTATE COMMERCIAL OPERATIONS

R 259.351 Intrastate air commerce; compliance with federal regulations required; advance ticket sales surety bond.

Rule 351. (1) An operator engaging in intrastate air commerce, which is the carriage of persons or property in common carriage operations solely between points entirely within the state of Michigan, shall comply with all applicable federal regulations.

(2) Before commencing any operations, an owner shall furnish, to the Michigan aeronautics commission, satisfactory proof of a surety bond in the amount of \$50,000.00 to cover any advance ticket sales.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; 1996 MR 7, Eff. July 25, 1996.

R 259.352 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1996 MR 7, Eff. July 25, 1996.

R 259.353 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1996 MR 7, Eff. July 25, 1996.

PART 16. FINANCIAL RESPONSIBILITY

R 259.361 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.362 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.363 Rescinded.

History: 1954 ACS 52, Eff. Nov. 15, 1967; 1979 AC; rescinded 1998 MR 6, Eff. June 29, 1998.

PART 17. DEALERS AND MANUFACTURERS

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R 259.371 Rescinded.

History: 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.372 Place of business; requirements.

Rule 372. (1) An applicant for an aircraft dealer's or manufacturer's license shall occupy a place of business with facilities appropriate to the conduct of business matters and the preparation and preservation of business records, including a telephone.

(2) A licensee shall notify the commission of any change in location of his or her place of business.

(3) The facilities of a licensee shall meet pertinent requirements of other state laws, including ordinances of political subdivisions having jurisdiction.

History: 1985 MR 8, Eff. Aug. 22, 1985.

R 259.373 Sales tax license required.

Rule 373. (1) An applicant for an aircraft dealer's or manufacturer's license shall possess a Michigan sales tax license at all times. The licensee shall conform to all applicable provisions of Act No. 122 of the Public Acts of 1941, as amended, being S205.1 et seq. of the Michigan Compiled Laws.

(2) An applicant or licensee shall provide the commission with the sales tax license number assigned by the state and any other pertinent information which would allow the commission to determine lawful use of the license.

History: 1985 MR 8, Eff. Aug. 22, 1985.

R 259.374 Rescinded.

History: 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.375 Rescinded.

History: 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998.

R 259.376 Rescinded.

History: 1985 MR 8, Eff. Aug. 22, 1985; rescinded 1998 MR 6, Eff. June 29, 1998.

DEPARTMENT OF TRANSPORTATION

AERONAUTICS COMMISSION

GENERAL RULES

PART 20. SEAPLANE OPERATIONS

R 259.401 Seaplane Operations

Rule 401 (1) As used in this rule:

(a) Navigable waterways, which are available for use under the public trust doctrine, may be used for the landing, docking, and takeoff of seaplanes in accordance with this rule. This rule does not authorize the use of seaplanes in a manner or location which would violate the property rights of another person.

(b) "Seaplane" means an aircraft which is capable of landing and taking off on the water.

(2) In the landing, docking, and takeoff of a seaplane the pilot of a seaplane shall comply with all applicable federal and state laws and rules, and shall comply with all of the following requirements:

(a) Except in an emergency, a seaplane shall not land, dock, or takeoff from a waterway in violation of a local ordinance, unless approval for that purpose has been granted under subrules (3) to (11) of this rule.

(b) In consideration of the many, varied, and changing uses made of waterways, the pilot of a seaplane shall take precautions to ensure that the landing, docking, and takeoff will be done safely and in a manner which does not endanger other persons, watercraft and property.

(c) A seaplane shall not land, dock or takeoff on a waterway in such a manner as would violate applicable laws, ordinances, and rules if done by a motorized watercraft, except that a seaplane is not required to

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comply with a statewide speed limit for watercraft while landing and taking off, if a higher speed is necessary for safe operation and is not in conflict with any other restrictions applicable to watercraft.

(d) A seaplane shall not land, dock, or takeoff on a waterway which has been disapproved for such seaplane use under subrule (11) or (12) of this rule.

(3) If a local ordinance is in existence on the effective date of this rule or is subsequently enacted and approved under this rule, which restricts the landing, docking, and takeoff of seaplanes on a waterway, then the ordinance is enforceable except to the extent that it is subsequently overridden under sections 51 and 86(2) of the Aeronautics Code in accordance with this rule. A person seeking to have an ordinance overridden shall file an application requesting the override on forms to be provided by the department. If, upon review of the application, the department determines that there is a reasonable basis to consider an override under the criteria of subrule (8) of this rule, then the department shall act on the application in accordance with subrules (6) to (11) of this rule.

(4) If a municipality approves a local ordinance, after the effective date of this rule, to restrict the landing, docking, and takeoff of seaplanes on a waterway, then the ordinance shall be approved under subrules (7) to (11) of this rule, before the ordinance becomes effective. The municipality shall file an application for approval of the ordinance on forms to be provided by the department.

(5) If there has been a substantial change in the circumstances under which the prior decision was made, then a person may file an application on forms to be provided by the department requesting that a decision to grant or deny an application be reconsidered and reversed or modified. If the department concurs that there has been a substantial change in circumstances, then the department shall act on the application in accordance with subrules (6) to (11) of this rule.

(6) If the department proceeds on an application under subrule (3) or (5) of this rule, then the department shall publish notice of the application in a newspaper of general circulation in the area in which the local ordinance would be overridden or approved and shall give notice to each county, city, township, or village whose boundaries include any portion of the land adjacent to the waterway. There shall be not less than 30 days for the submission of preliminary comments by any interested person regarding the suitability of the waterway for seaplane use. If the applicant proposes to allow seaplane use on a portion of a stream or river, then the department shall give notice to each county, city, township or village whose boundaries are adjacent to the stream or river and are within 3000 feet of the portion proposed for seaplane use.

(7) After reviewing the application submitted under subrule (3), (4) or (5) of this rule, and comments submitted under subrule (6) of this rule, the department shall inspect the waterway at such times and manner as may be appropriate to assess the suitability of the waterway for seaplane use.

(8) In determining if a waterway is suitable for seaplane use, the department and the Aeronautics Commission shall consider all of the following:

- (a) The needs and purposes served by the local ordinance.
- (b) The safety and general suitability of the waterway for seaplane use.
- (c) The impact of seaplane use on the use and enjoyment of the waterway and adjacent properties by other persons.
- (d) The availability of suitable alternative waterways for seaplane use.
- (e) The public interest in fostering aviation and allowing the use of navigable waterways for aviation and other purposes.
- (f) Whether competing interests may be balanced by imposing limitations or conditions on use of the waterway by seaplanes.
- (g) Any other factor which reasonably would be affected by a decision to allow seaplane use notwithstanding the local ordinance.

In no event shall the landing, docking, or takeoff of seaplanes be approved if the landing, docking, or takeoff would pose unreasonable risks to public health, safety, or property.

(9) After reviewing the comments, and conducting an inspection of the waterway and considering the criteria in subrule (8) of this rule, the department shall make a proposed recommendation to approve or disapprove an ordinance which restricts the use of the waterway by seaplanes with any limitations or conditions as may be considered appropriate. A copy of the proposed recommendation shall be provided to the applicant, each county, city, township, or village entitled to notice under subrule (6) of this rule, and to any person who submitted comments and provided his or her name and address. Within 21 days after the proposed

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recommendation is sent, a recipient of the proposed recommendation may request that a public hearing be conducted before the application is granted or denied.

(10) After receipt of a request for a public hearing under subrule (9) of this rule, the department shall schedule a hearing at a time and location reasonably convenient to local officials, property owners, users of the waterway and other interested persons. The department shall publish notice of the hearing in a newspaper of general circulation in the area in which the local ordinance would be overridden or approved. Interested persons shall be afforded an opportunity to present their views at the hearing, either orally or in writing. The hearing is not an evidentiary hearing or a contested case proceeding under the Administrative Procedures Act of 1969. The department shall make and transcribe a record of the hearing.

(11) The department shall review the application, the comments, the results of its inspection, and information obtained at the public hearing. The department shall apply the criteria of subrule (8) of this rule, and make a recommendation for consideration by the Aeronautics Commission and the director of the department to grant or deny the application, with such limitations or conditions as may be considered appropriate. The director of the department and at least 6 members of the Aeronautics Commission, 1 of whom may be the director of the department, shall concur in a decision to override a local ordinance under subrule (3) or (5) of this rule. The decision may include conditions and limitations on the use of the waterway by seaplanes. An application under subrule (4) of this rule may be approved by the director of the department or a majority of the Aeronautics Commission. An application under subrule (4) of this rule may be disapproved or approved with specified limitations or conditions only if the director of the department and at least 6 members of the Aeronautics Commission, 1 of whom may be the director of the department, concur in the decision. An application under subrule (4) of this rule shall be considered approved unless the director of the department and at least 6 members of the Aeronautics Commission, 1 of whom may be the director of the department, concur in a decision to disapprove the application or to approve it only with specified limitations or conditions, within 270 days after it was filed. The decision shall constitute the final administrative decision on the application.

(12) If at any time the department or the Aeronautics Commission determines that use of any waterway by seaplanes poses an unreasonable risk to public health, safety, or property, the department or commission may withdraw approval or limit use of the waterway or make the use of the waterway subject to conditions, after following the applicable procedures and criteria in subrules (6) to (11) of this rule. If considered necessary to protect public health, safety, or property, the department or the Aeronautics Commission may issue an interim order restricting the use of a waterway by seaplanes pending completion of the procedures in subrules (6) to (11) of this rule.

(13) The department shall maintain an open public record of all decisions or restrictions on the use of waterways by seaplanes under subrule (11) of this rule.

(14) A seaplane base shall also be approved under section 86a(1) of the Aeronautics Code.

History: 2000 MR 13, Eff. Sept. 11, 2000; 2000 MR 17, Eff. Nov. 9, 2000.

AIRPORT DEVELOPMENT LOANS

R 259.801

Source: 1982 AACS.

R 259.802

Source: 1982 AACS.

R 259.803

Source: 1982 AACS.

R 259.804

Source: 1982 AACS.

R 259.805

Source: 1982 AACS.

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R 259.806

Source: 1982 AACS.

R 259.807

Source: 1982 AACS.

CAPITAL CITY AIRPORT TRAFFIC CODE

PART 1. DEFINITIONS

R 259.1101—R 259.1105

Source: 1997 AACS.

PART 2. ADMINISTRATION

R 259.1201—R 259.1206

Source: 1997 AACS.

PART 3. ACCIDENTS: DUTY TO STOP AND REPORT

R 259.1301—R 259.1306

Source: 1997 AACS.

PART 4. SPEED REGULATIONS

R 259.1401, R 259.1402

Source: 1997 AACS.

PART 5. TRAFFIC

R 259.1501—R 259.1515

Source: 1997 AACS.

PART 6. TURNS

R 259.1601—R 259.1607

Source: 1997 AACS.

PART 7. MISCELLANEOUS

R 259.1701—R 259.1733

Source: 1997 AACS.

PART 8. STOPPING, STANDING, AND PARKING

R 259.1801—R 259.1823

Source: 1997 AACS.

PART 9. ENFORCEMENT

R 259.1901, R 259.1902

Source: 1997 AACS.